SMO

Smothong Group Public Company Limited

ANNUAL REPORT 2025

Form 56-1 One Report 2025

SMOTHONG GROUP

Strives for continuous development and is dedicated to driving sustainable business growth into the future.

SMO

Smothong Group Public Company Limited

On this auspicious occasion, Smothong Group Public Company Limited (SMO) is proud to mark a significant milestone.

"We would like to express our sincere gratitude to all parties involved for their unwavering commitment and dedication throughout this journey. We also extend our heartfelt appreciation to all investors for their confidence and interest in becoming part of our conglomerate.

It is our hope that we will continue to receive your steadfast support as we move forward. As the management team, we remain firmly confident in the conglomerate's strong business fundamentals and well-defined growth trajectory. Smothong Group Public Company Limited is fully committed to advancing our business expansion across all dimensions, strengthening our competitive position, and delivering sustainable long-term returns to our shareholders".

Table of Contents

003
Financial Highlight

004
Message from the Chairman

006
Board of Directors

008
Message from the Chief Executive Officer (CEO)

009
Executive Committee

Section 1 Business Operations and Performance

011
Structure and Operations of the Group

077
Risk Management

091
Driving Business for Sustainability

128
Management Discussion and Analysis (MD&A)

183
General Information and Other Key Information

Section 2 Corporate Governance

191
Corporate Governance Policy

199
Corporate Governance Structure and Key Information on the Board of Directors, Sub-committees, Executives, Employees, and Others

220
Corporate Governance Performance Report

234
Internal Control and Related Party Transactions

Section 3 Financial Statements

253
Report on the Board of Directors' Responsibilities for the Financial Report

260
Financial Statements

Section 4 Enclosures

332
Enclosure 1:
Details of Directors, Executives, Controlling Persons, the Person assigned to the highest responsibility in Accounting and Finance, the Person assigned to directly supervise accounting, and the Company Secretary.

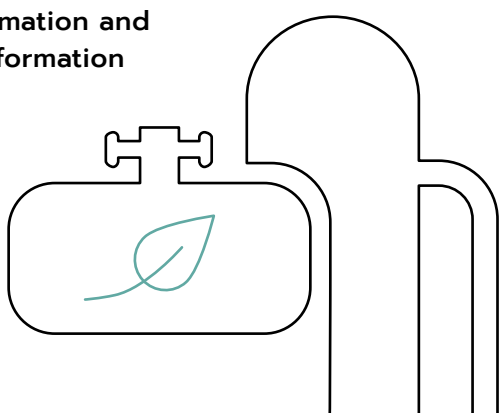
349
Enclosure 2
Enclosure 2: Details of the Directors of Subsidiaries.

350
Enclosure 3
Details of the Head of Internal Audit and the Head of Compliance.

351
Enclosure 4
Assets used in business operations and details of asset appraisal.

385
Enclosure 5
Full Corporate Governance Policy and Code of Conduct prepared by the company.

386
Enclosure 6
Report of the Audit Committee and Reports of every Sub-committee.



SMO

Vision

Smothong Group strives for continuous development and is dedicated to driving sustainable business growth into the future.

Mission

To achieve the Vision, the company has established the following mission statements:

- Commit to researching and developing innovations to transform by-products into maximum value (Make Waste to the Best Value).
- Strive to enhance production efficiency across all business units.
- Focus on manufacturing products that strictly adhere to established quality policy standards.
- Adhere to the principles of good corporate governance and uphold steadfast business ethics.
- Promote and develop the potential of our personnel to stay ahead of business growth.
- Foster strong relationships with local communities while promoting sustainable development and improving quality of life.
- Conduct business with a deep respect for natural resources and a strong commitment to environmental conservation.
- Aim to be a manufacturer that strengthens the agricultural sector while supporting Thailand's long-term energy sustainability.

Corporate Culture

The corporate culture focuses on maximizing employee efficiency, continuous self-development, environmental consciousness, good governance, and open-minded collaboration. This is encapsulated in our core values, known as BINGO:

B

Better Than Best

Employees must be committed to enhance work efficiency with a "can-do" attitude-daring to think and act on what is right. We don't just aim for the best; we strive to be better than yesterday.

I

Intelligent Working

Employees must continuously develop their potential, maintaining a thirst for knowledge and cultivating deep expertise in their roles.

N

Nature-Friendly

Employees must possess a strong sense of responsibility for nature and environmental conservation, ensuring that all resources are used responsibly and efficiently.

G

Good Governance

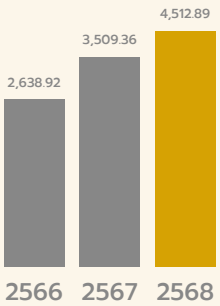
Employees must work with honesty and integrity, collaborating to build a transparent organization rooted in kindness and a volunteer spirit.

O

Open Minded

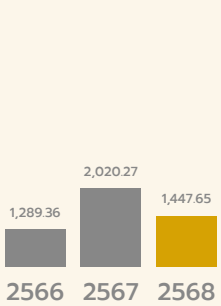
Employees must be open to learn new things and receptive to diverse opinions, fostering a culture of shared ideas to drive the organization forward together.

Financial highlights



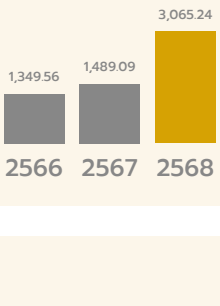
Total Assets

4,512.89
Million Baht



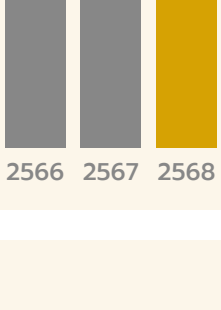
Total Liabilities

1,447.65
Million Baht



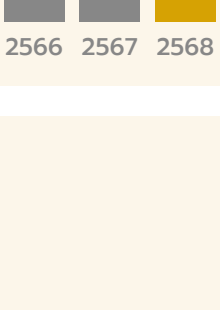
Total Equity

3,065.24
Million Baht



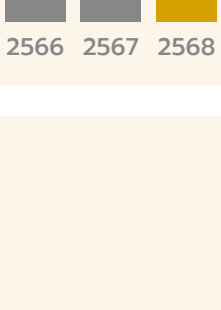
Total Revenue

9,971.80
Million Baht



Gross Profit (Loss)

1,065.58
Million Baht



Net Profit (Loss)

678.89
Million Baht

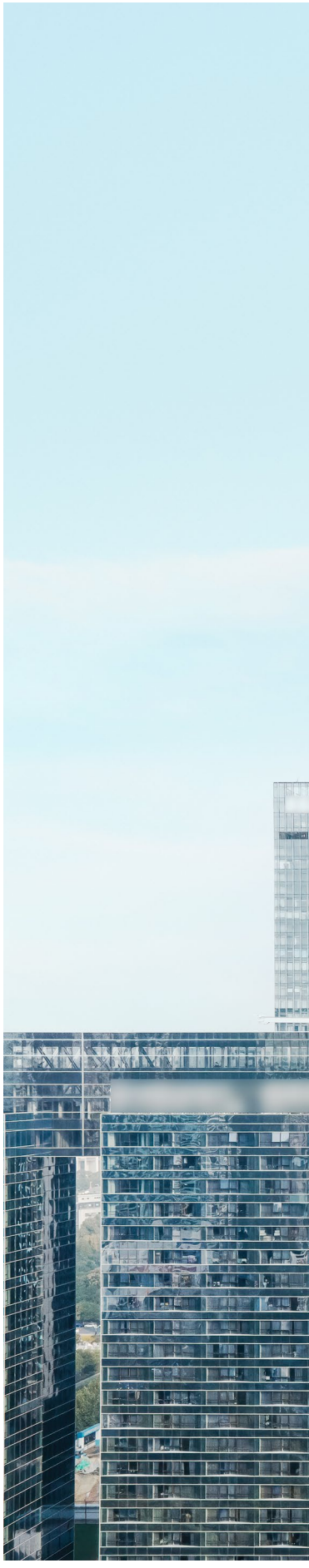
EBITDA

991.49
Million Baht

Earnings Per Share (Baht)

0.94
Million Baht

Message from the Chairman



To: Our Valued Shareholders and Stakeholders,

Throughout 2025, the business sector faced significant challenges stemming from economic volatility, geopolitical tensions, and rapid structural shifts—both domestically and internationally.

In response to this landscape, Smothong Group Public Company Limited, or SMO, has meticulously implemented strategic business plans designed to enhance the competitive edge. The company's focus remains on fostering robust, sustainable growth as we strive to become a leading force in Thailand's palm oil industry.

The year of 2025 marked another significant milestone of progress for the Smothong Group. The company continuously expanded its production capacity of Crude Palm Oil (CPO), positioning the total output at the forefront of the industry. This growth was driven by the enhancement of the operational systems and the expansion into international markets to increase CPO export volumes. Consequently, these strategic factors led the company's sales and financial performance in 2025 to reach its highest levels in several years.

Furthermore, Smothong Group achieved a major success with the listing and commencement of trading of the company's shares on the Stock Exchange of Thailand (SET) this past November. This transition has established us as a public company with a diverse shareholder base, supported by a Board of Directors and a management team possessing the knowledge, caliber, and experience essential to driving the Group's stable and continuous growth in the future.

Smothong Group is committed to conducting business under the principles of good corporate governance, upholding transparency, and enhancing the competitive capabilities for the maximum benefit of our shareholders and all stakeholders. We place equal importance on contributing to the development and creating value for our surrounding society and communities, ensuring balanced and sustainable growth in the long term.

On behalf of the Board of Directors of Smothong Group Public Company Limited, I would like to express my sincere gratitude to all investors for your confidence and support during our Initial Public Offering (IPO). The trust you have placed in us is a vital testament to our business potential and serves as a powerful driving force, enabling the organization to continue creating sustainable value for our shareholders and stakeholders alike.

Mr.Surachai Chitratsenee
Chairman of the Board

Board of Directors

1 Mr.Surachai Chitratsenee
- Chairman of the Board
- Chairman of the Risk Management Committee

2 Mr.Seksak Piriyetyanggoon
- Vice Chairman of the Board
- Risk Management Committee
- Executive Committee

3 Mr.Tepakul Poonlarp
- Independent Director
- Chairman of the Audit Committee
- Nomination and Remuneration Committee

4 Mr.Boonma Phonthanakornkul
- Independent Director
- Chairman of the Nomination and Remuneration Committee
- Audit Committee

5 Mr.Weerayuth Sajjaphanroj
- Independent Director
- Risk Management Committee

6 Mr.Artong Srihiran
- Independent Director
- Audit Committee
- Risk Management Committee

7 Mr.Kittipong Puangmala
- Director
- Nomination and Remuneration Committee
- Chairman of the Executive Committee

8 Mr.Johson Lim
- Director
- Risk Management Committee
- Executive Committee

9 Mr.Kusol Sripaoraya
- Director
- Risk Management Committee
- Executive Committee

Message from the Chief Executive Officer (CEO)

In the past year, Smothong Group Public Company Limited (SMO) has continued its operations amidst an increasingly challenging landscape of economic, social, and environmental shifts. To navigate these changes, the management team established strategic directions aimed at elevating organizational capabilities across all dimensions. This was done in tandem with enhancing operational efficiency to support robust, long-term sustainable growth.

The Company prioritizes systematic organizational development, spanning management practices, business structuring, and the integration of technology to boost efficiency and operational agility. Furthermore, we are dedicated to expanding our business capacity to build a secure and sustainable revenue base for the future.

In the past years, the Company achieved significant success regarding environmental stewardship and operational standards. Our facilities in Tha Chana and Phanom (Surat Thani Province), as well as our Saraburi branch, have officially received the CFO (Carbon Footprint for Organization) certification. This achievement reflects our strong commitment to minimizing environmental impact and actively supporting the transition toward a low-carbon economy.

Furthermore, the Company has announced its long-term commitment to achieve Net Zero emissions. By joining the Thai Renewable Energy Association (RE100), we aim to drive renewable energy policies and support Thailand's goal of reaching 100% renewable energy consumption.

Our core strategies include:

- **Decarbonization**: Reducing greenhouse gas emissions across every dimension of the supply chain.
- **Clean Energy Adoption**: Increasing the proportion of clean energy used in operations.
- **Resource Efficiency**: Implementing highly efficient resource management practices.
- **Stakeholder Collaboration**: Partnering with all sectors to drive tangible structural changes.

These initiatives form the foundation of our sustainable growth and reflect our dedication to create a lasting positive impact.

Regarding corporate governance, the Company prioritizes operating under the principles of transparency, accountability, and integrity to bolster stakeholder confidence. As a significant step in reinforcing our commitment to honest and fair business practices, the Company has officially declared its intent to join the Thai Private Sector Collective Action Against Corruption (CAC). This initiative underscores our dedication to upholding the highest international standards of good corporate governance.

The Company operates under the vision: "Smothong Group strives for continuous development and is dedicated to driving sustainable business growth into the future." We aim to deliver enduring value to our shareholders, customers, employees, business partners, and society. Recognizing that our people are the most critical factor in our success, we are dedicated to fostering the BINGO corporate culture—a culture that promotes continuous learning, active participation, and creativity, while supporting the professional growth of employees at every level.

On behalf of the Management Team, I would like to express my sincere gratitude to the Board of Directors, shareholders, customers, business partners, and all stakeholders for your continued trust and support. I also wish to thank every employee for their unwavering dedication and hard work throughout the past year.

Moving forward, the Company remains steadfast in elevating our operational standards while creating economic, social, and environmental value. We are committed to advancing toward our **Net Zero** goals and upholding excellent corporate governance to ensure long-term confidence and stable returns for all our stakeholders.

Mr. Kittipong Puangmala
Chief Executive Officer

Executive Committee

1 Mr.Kittipong Puangmala
- Chief Executive Officer

2 Mr.Seksak Piriyetyanggoon
- Managing Director – Manufacturing Operations

3 Mr.Johson Lim
- Managing Director – Innovation and International Trade

4 Mr.Kusol Sripaoraya
- Chief Financial Officer

5 Mr. Sakda Thongrong
- Senior Vice President, Office

6 Miss.Paksinan Boonsong
- Senior Vice President, Domestic Sales and Marketing

SMO

SMOTHONG GROUP PUBLIC COMPANY LIMITED

1

Business Operations and Performance

Annual Report 2025 (Form 56-1 One Report)

1. Corporate Structure and Operations

The origin of Smothong Group Public Company Limited was driven by the vision of Mr. Seksak Piriyetyanggoon and his family, who aimed to enhance the value chain of their fresh fruit bunch (FFB) collection ramp business in Surat Thani. In 2003, Smothong Palm Oil Company Limited was established in Tha Chana District with an initial registered capital of 10 million Baht. Mr. Seksak dedicated himself to the intensive study of palm oil production processes, laying a solid foundation for the Company's transition into the crude palm oil extraction industry.

The catalyst for the Group's exponential growth was the strategic integration of "Three Founding Partner Groups" in 2009, which seamlessly combined distinct areas of expertise:

- Mr. Seksak Piriyetyanggoon's Group: Specialists in raw material procurement and local administrative management.
- Mr. Kittipong Puangmala's Group: Experts in factory construction engineering and industrial machinery installation.
- Mr. Johson Lim's Group (Lum Family): International entrepreneurs from Malaysia with global expertise in palm oil production technology and machinery.

Leveraging the combined potential of these three major shareholder groups, the first factory commenced commercial operations in 2010. The business rapidly expanded into strategic locations across Surat Thani, Chumphon, and Saraburi provinces. In 2017, the management team decided to execute an amalgamation of four affiliated companies, forming "Smothong Group Company Limited" with a registered capital of 680 million Baht to unify management and operations.

From 2024 to 2025, the Group further elevated its organizational capabilities by acquiring A L Palm Company Limited to bolster production capacity and strengthen its clean energy business through biogas. Furthermore, the Company officially transformed into a Public Limited Company on March 15, 2025, and was subsequently approved for listing on the Stock Exchange of Thailand (SET) under the ticker symbol "SMO" on November 10, 2025.

Currently, with a registered capital of 920 million Baht, Smothong Group is not only a top-tier crude palm oil producer in the country but also operates with a deep commitment to environmental and social responsibility. This dedication is evidenced by various prestigious certifications, including:

- RSPO (Roundtable on Sustainable Palm Oil): Confirming sustainable palm oil production that adheres to rigorous environmental and social responsibility standards.
- ISO 9001 and ISO/IEC 17025:2018: Guaranteeing a high-standard quality management system and the technical competence of testing laboratories for precision and accuracy.
- GHP (Good Hygiene Practices) and Kosher Standards: Ensuring product quality, safety, and compliance with international hygiene and dietary requirements to build global consumer confidence.
- Green Industry Standard (Level 2): Reflecting the Group's commitment to eco-friendly operations and sustainable industrial practices.

As of December 31, 2025, the corporate structure of the Group can be summarized in the following diagram:

As of December 31, 2025, the Group structure consists of the parent company, Smothong Group Public Company Limited ("the Company"), and its three subsidiaries, with the following details:

1. AL Palm Company Limited ("AL")

Registered and paid-up capital of 480.00 million Baht. The Company holds a 99.99% stake in the paid-up capital. The business involves the production and distribution of crude palm oil, and the generation of electricity from biogas fuel for sale to the Provincial Electricity Authority (PEA).

2. Mitprasong Green Power Company Limited ("MGP")

Registered and paid-up capital of 70.00 million Baht. The Company holds a 99.99% stake in the paid-up capital. The business involves the production and distribution of electricity from biogas fuel for sale to the Provincial Electricity Authority (PEA).

3. Team Evolution Company Limited ("TEAM")

Registered and paid-up capital of 90.00 million Baht. The Company holds a 49.44% stake in the paid-up capital. It was established in collaboration with 9 crude palm oil production companies to operate a biomass power plant business. Subsequently, a mutual agreement was reached among the shareholders not to pursue the aforementioned business, resulting in TEAM having no active business operations. Currently, TEAM's assets consist solely of vacant land held for sale.

Business Overview

Smothong Group Public Company Limited ("the Company" or "SMO") and its subsidiaries ("the Group") operate in the production and distribution of crude palm oil and related products, as well as the generation of electricity from biogas for sale to the Provincial Electricity Authority (PEA). The Group's core businesses are categorized into two main groups:

(1) Crude Palm Oil and Related Products Business: This includes the production and distribution of Crude Palm Oil ("CPO"), dried Palm Kernels ("PK"), and various by-products.
(2) Biogas Electricity Generation Business: This involves utilizing by-products from the crude palm oil extraction process through microbial fermentation in anaerobic lagoons to produce biogas. The biogas is then used as fuel to generate electricity for internal operations and for sale to the Provincial Electricity Authority (PEA).

The Group places high importance on conducting business under the Circular Economy framework. This involves managing resources within the business's value chain to achieve maximum efficiency—from premium raw material selection and environmentally friendly production processes to ensuring high-quality products and sustainability throughout the entire value chain. Furthermore, waste and by-products from the production process are recycled as energy for internal use, aiming for a zero-waste or minimal-waste production process. This philosophy fosters stable growth for the Group while simultaneously mitigating environmental and community impacts, aligning with the Company's vision for continuous development and sustainable business expansion.

(1) Crude Palm Oil and Related Products Business

The Group produces and distributes crude palm oil to key downstream industries, such as the biodiesel industry, refined palm oil industry, animal feed industry, and oleochemical industry. The end products derived from these downstream industries are products familiar to consumers, including cooking oil, biodiesel, cosmetics, and snacks. The Group's products are categorized into three types: Crude Palm Oil (CPO), Dried Palm Kernels (PK), and by-products.

Year	Month	Significant Event	(Unit: Tons of Fresh Fruit Bunches per Hour)		
			Pre-event Capacity	Increase / (Decrease)	Post-event Capacity
2023	January	The Group's production capacity as of January 1, 2023	180	-	180
2024	September	In February, SMO acquired shares of AL and proceeded with machinery upgrades. In September, AL completed the upgrades and commenced commercial operations with a capacity of 60 tons of FFB per hour.	180	60	240

Currently, the Group operates four crude palm oil production plants, with details as follows:

Company Name	Branch	Location	Production Capacity (Tons of FFB per Hour)
Smothong Group Public Company Limited	Phanom Branch	Khlong Cha-un Sub-district, Phanom District, Surat Thani	75[/1]
	Tha Chana Branch	Prasong Sub-district, Tha Chana District, Surat Thani	75
	Saraburi Branch	Nong Rong Sub-district, Nong Khae District, Saraburi	30
A L Palm Company Limited		Thung Takrai Sub-district, Thung Tako District, Chumphon	60
		Total	240

Note: [/1] Currently, the Company's crude palm oil production plant at the Phanom Branch is in the process of installing machinery to expand its production capacity. Upon completion, the production capacity will increase by 75 tons of FFB per hour, resulting in a total capacity of 150 tons of FFB per hour for the Phanom Branch and a combined Group capacity of 315 tons of FFB per hour. The Company expects the Phanom Branch to commence production at this increased capacity from April 2026 onwards.

Crude Palm Oil (CPO) is the primary product of the Group's production and distribution of crude palm oil and related products business. As a commodity, CPO is utilized as a raw material in various industries. The price of CPO is typically volatile, depending on several factors, and fluctuations in CPO prices significantly and directly impact the Group's operating results. In 2025, CPO prices increased in alignment with global market price trends. Regarding the cost of sales for this business segment, approximately 90% constitutes the cost of the primary raw material: Fresh Fruit Bunches ("FFB"). FFB is an agricultural product whose price is volatile, following the same trends as CPO prices.

For the years 2023 to 2025, the Group's sales revenue, cost of sales, gross profit, and gross profit margin for the production and distribution of crude palm oil and related products business are as follows:

Crude Palm Oil and Related Products Business	Unit	2023	2024	2025
Sales Revenue	Million Baht	5,752.10	6,133.19	9,711.30
Cost of Sales	Million Baht	5,265.60	5,450.98	8,732.63
Gross Profit	Million Baht	486.50	682.21	978.67
Gross Profit Margin	%	8.46%	11.12%	10.08%

(2) Biogas Electricity Generation and Distribution Business

The biogas electricity generation and distribution business is another core segment of the Group. The production process involves taking wastewater from the crude palm oil extraction process and undergoing a microbial fermentation process to produce biogas. This biogas is then used as fuel to generate electricity for sale to the Provincial Electricity Authority ("PEA"), the Group's sole customer. Currently, the Group operates three biogas power plants, with details as follows:

Company	Location	Installed Capacity (MW)	Power Purchase Agreement (MW)
Smothong Group Public Company Limited	Khlong Cha-un Sub-district, Phanom District, Surat Thani	5.83	5.70
Mitprasong Green Power Company Limited	Prasong Sub-district, Tha Chana District, Surat Thani	6.42	5.00
AL Palm Company Limited	Thung Takrai Sub-district, Thung Tako District, Chumphon	2.13	2.00
	Total	14.38	12.70

The Group sells electricity to the Provincial Electricity Authority ("PEA") under the Very Small Power Producer (VSPP) program. The purchase of electricity by PEA must comply with the conditions specified in the Power Purchase Agreement (PPA), with the electricity purchase structure divided into two parts:

1. Portion equal to the amount of electricity distributed by the PEA to the producer: The price is calculated based on the retail electricity rate plus the automatic fuel adjustment charge (Ft) for retail.
2. Portions sold in excess of the amount of electricity distributed by the PEA to the producer: The price is calculated based on the wholesale electricity rate plus the average automatic fuel adjustment charge (Ft) for wholesale.

For the years 2023 to 2025, the Group's sales revenue, cost of sales, gross profit, and gross profit margin for the biogas electricity generation and distribution business are as follows:

Biogas Electricity Generation and Distribution Business	Unit	2023	2024	2025
Sales Revenue	Million Baht	130.98	119.64	166.15
Cost of Sales	Million Baht	69.84	70.86	79.24
Gross Profit	Million Baht	61.14	48.78	86.91
Gross Profit Margin	%	46.68%	40.77%	52.31%

1.1 Policy and Business Overview

1.1.1 Vision, Mission, and Operating Strategy of the Group

Vision

Smothong Group strives for continuous development and is dedicated to driving sustainable business growth into the future.

Mission

To achieve the Vision, the company has established the following mission statements:

- **Commit to researching and developing innovations** to transform by-products into maximum value (Make Waste to the Best Value).
- **Promote and develop the potential** of our personnel to stay ahead of business growth.
- **Strive to enhance production efficiency across all business units.**
- **Foster strong relationships with local communities** while promoting sustainable development and improving quality of life.
- **Focus on manufacturing products that strictly adhere to established quality policy standards.**
- **Conduct business with a deep respect** for natural resources and a strong commitment to environmental conservation.
- **Adhere to the principles** of good corporate governance and uphold steadfast business ethics.
- **Aim to be a manufacturer** that strengthens the agricultural sector while supporting Thailand's long-term energy sustainability.

Business Strategy

The Group is committed to achieving responsible growth for all stakeholders, including shareholders, employees, customers, business partners, competitors, communities, and the environment, ensuring sustainable progress. Furthermore, the Group prioritizes good corporate governance and business risk management. The key strategies that differentiate the Group and enhance its competitiveness for sustainable growth are as follows:

(1) Strategic Factory Locations Near Raw Material Sources and Main Transportation Routes

A vital strategy enabling the Company to effectively manage raw materials and costs is the selection of factory locations based on two critical factors: first, proximity to oil palm plantations (the primary raw material for crude palm oil production); and second, proximity or direct access to main highways to facilitate efficient logistics for both raw materials and finished goods. Locations possessing both factors allow for easy access to raw materials and superior transportation management, representing a core success factor in the crude palm oil industry. Currently, the Group operates crude palm oil factories across multiple regions to mitigate the risk of over-reliance on a single sourcing area. Each facility is situated on or near major highways to optimise logistics. The Group's four production facilities are:

1. Tha Chana Branch: Located in Prasong Sub-district, Tha Chana District, Surat Thani. Situated in the northern part of Surat Thani bordering Chumphon province, this facility can source fresh fruit bunches (FFB) from the eastern coast of Southern Thailand.
2. Phanom Branch: Located in Khlong Cha-un Sub-district, Phanom District, Surat Thani. Situated in the western part of Surat Thani bordering Krabi and Phang Nga provinces, this branch can source FFB from the western coast of Southern Thailand. It also serves as the Group's primary export production base due to its proximity to the Phuket Deep Sea Port, the Group's main export gateway.
3. Saraburi Branch: Located in Nong Rong Sub-district, Nong Khae District, Saraburi. Situated in the southern part of Saraburi bordering Wang Noi District, Phra Nakhon Si Ayutthaya, and Pathum Thani provinces, this facility can source FFB from the Northeastern region of Thailand.
4. AL Plant (A L Palm Company Limited): Located in Thung Takrai Sub-district, Thung Tako District, Chumphon. Situated in the central-eastern part of Chumphon, this plant can source FFB from the upper Southern region of Thailand.

Having factories in diverse locations provides a competitive advantage by ensuring a comprehensive raw material procurement network across multiple areas. It also enhances the ability to manage raw materials and inventory effectively while reducing risks associated with local industry competition.

(2) Diversified Sales Channels (Domestic and International) to Enhance Sales Potential and Reduce Domestic Consumption Dependency

The core product of the Group's crude palm oil and related products business is Crude Palm Oil (CPO). CPO is a global commodity widely utilized in both the food and energy industries. The world's primary producers are Indonesia and Malaysia, with Thailand ranked as the third-largest producer. Based on 2025 data, Thailand accounts for 4.20% of global CPO production, trailing behind Indonesia and Malaysia, which hold market shares of 58.00% and 24.70%, respectively (Source: USDA Foreign Agricultural Service). Despite being the third-largest producer, Thailand faces certain limitations in cost competitiveness compared to global leaders like Indonesia and Malaysia. Consequently, enhancing cost control efficiency is crucial for competing effectively in the global market.

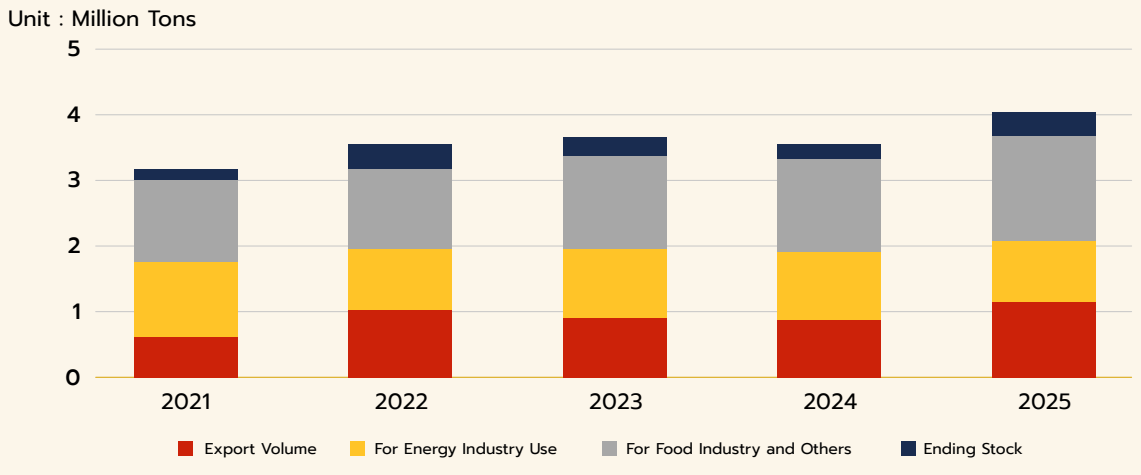
Regarding the CPO situation in Thailand, the country has an annual production capacity of approximately 3.3 million tons, while domestic demand hovers around 2.4 million tons. This creates a surplus that necessitates exportation to balance domestic supply. India, the world's largest consumer, shows a continuous upward trend in demand driven by recovering domestic consumption. Furthermore, the Indian government has reduced CPO import duties to lower production costs in the food industry and alleviate the cost of living. India sources its imports from Indonesia, Malaysia, and Thailand. The details of Thailand's CPO supply and demand are as follows:

Unit: Million Tons

	2020	2021	2022	2023	2024	2025[E]
Total CPO Production	2.65	2.96	3.38	3.33	3.27	3.85
Imports (CPO Equivalent)	<0.01	<0.01	<0.01	<0.01	<0.01	<0.01
Domestic Demand	2.53	2.38	2.17	2.48	2.49	2.47
– For Consumption & Other Industries	1.16	1.24	1.25	1.45	1.43	1.61
– For Biodiesel Production	1.36	1.15	0.92	1.03	1.05	0.86
Exports (CPO Equivalent)	0.24	0.62	1.03	0.91	0.87	1.23
Ending Stock	0.21	0.17	0.35	0.28	0.20	0.36

Source: Department of Internal Trade, Office of Agricultural Economics

Diagram showing Thailnd's Palm Oil Balance



Thailand's crude palm oil (CPO) export situation remains constrained by factors such as climate, topography, labor costs, the small-scale nature of plantation ownership per farmer, and domestic price mechanisms. These factors result in higher production costs compared to global export leaders like Indonesia and Malaysia. However, the seasonal variance in Thailand's peak harvest periods—which do not coincide with those of the leading exporters—coupled with favorable foreign exchange rates, serve as key supporting factors that enable Thailand's production costs to be competitive in the global market during certain windows of time.

These factors indicate that while Thailand faces limitations in both volume and cost—leading to lower export volumes compared to major exporters—domestic consumption is still insufficient to absorb the total annual production. Therefore, exportation is vital for the CPO business as an essential sales channel.

Maintaining both Domestic and Export sales channels is not merely about increasing sales volume, but represents a critical "Strategic Risk Management" approach for the Group, summarized as follows:

- Mitigating Over-supply: As Thailand produces approximately 0.9 million tons in excess of domestic demand annually, exporting serves as the primary supply-balancing mechanism. This is particularly crucial when domestic supply exceeds normal demand, helping to maintain price stability.

- Enhancing Bargaining Power and Cost Management: By having export channels, the Group can better optimize its production cycles and avoid being pressured to sell at low prices during periods of sluggish domestic demand.
- Leveraging Comparative Advantage: Although Thailand's overall production costs may be disadvantaged compared to Indonesia and Malaysia due to the smallholder plantation structure, the Group strategically times its sales to align with production seasonality and favorable exchange rates. This allows the Group to effectively penetrate global markets, such as India.
- Operational Agility: Relying on international markets reduces dependency on domestic price control policies or internal mechanisms alone. This provides the Group with a robust financial position and greater expansion potential compared to competitors focused solely on the domestic market.

Currently, the Group's sales revenue proportions from domestic and international markets are as follows:

Crude Palm Oil Sales Revenue	2023		2024		2025	
	Million Baht	%	Million Baht	%	Million Baht	%
Total CPO Sales Revenue	4,990.12	100.00%	5,222.27	100.00%	7,930.91	100.00%
- Domestic Sales Revenue	*3,159.27*	*63.31%*	*2,935.32*	*56.21%*	*2,842.34*	*35.84%*
- Export Sales Revenue	*1,830.85*	*36.69%*	*2,286.95*	*43.79%*	*5,088.57*	*64.16%*

(3) Commitment to the Roundtable on Sustainable Palm Oil (RSPO)

The global community is increasingly prioritizing the "Global Boiling" (Climate Disaster) crisis, which results from past human activities such as greenhouse gas emissions, deforestation, and the underutilization of renewable energy. These impacts have led to drastic climatic shifts, including extreme heat, erratic rainfall, and prolonged droughts—all of which inevitably affect humanity. As the crude palm oil industry is also a contributor to these environmental impacts, the Group has placed immense importance on joining the Roundtable on Sustainable Palm Oil (RSPO). This membership serves as a driver to push the palm oil industry toward sustainability through responsible business practices while supporting oil palm smallholders in protecting fragile ecosystems, natural habitats, and biodiversity. RSPO members represent every stage of the global palm oil supply chain. The seven stakeholder groups eligible for membership include: oil palm producers, processors and/or traders, consumer goods manufacturers, retailers, banks/investors, environmental NGOs, and social/developmental NGOs. Members are permitted to use the RSPO trademark to communicate their commitment and dedication to building a sustainable industry to the public.

The Group has been an active member and has maintained RSPO Certification since 2019. To achieve Certified Sustainable Palm Oil (CSPO) status, the oil must be produced from Fresh Fruit Bunches (FFB) that are also RSPO certified. This requirement mirrors the standards for consumer goods manufacturers, who must purchase CSPO for their production to use the RSPO trademark, ensuring integrity throughout the palm oil supply chain.

Consequently, participation in the RSPO provides the Group with a significant competitive advantage. It enables the Group to supply CSPO to meet the growing demands of international and domestic clients. Currently, many familiar consumer brands, such as Yum Yum, Glico, and Jurness, utilize RSPO-certified products in their manufacturing processes.

1.1.2 Major Changes and Developments

Year	Major Changes and Developments
2003	• Established Smothong Palm Oil Company Limited on July 10, 2003, to operate the business of producing and distributing crude palm oil (currently the Tha Chana Branch).
2010	• Smothong Palm Oil Company Limited commenced commercial operations with a production capacity of 45 tons of fresh fruit bunches per hour. • Established Mitprasong Green Power Company Limited on June 14, 2010, to operate the business of producing and distributing electricity from biogas fuel.
2012	• Established Smothong Palm 2 Company Limited on January 20 to operate the business of producing and distributing crude palm oil (currently the Phanom Branch). • Smothong Palm Oil Company Limited received ISO 9001:2015 certification and Good Hygiene Practice (GHP) standards from Bureau Veritas and has been continuously audited and certified to the present. • Smothong Palm 2 Company Limited received ISO 9001:2015 certification and Good Hygiene Practice (GHP) standards from Bureau Veritas and has been continuously audited and certified to the present.
2013	• Established Smothong Palm 3 Company Limited on September 24, 2013, to operate the business of producing and distributing crude palm oil in Chumphon Province (currently no commercial operations). • Mitprasong Green Power Company Limited commenced commercial operations with an electricity production capacity of 1.9 megawatts.
2014	• Smothong Palm 2 Company Limited commenced commercial operations with a production capacity of 75 tons of fresh fruit bunches per hour, resulting in the Group having a total production capacity of 120 tons of fresh fruit bunches per hour. • Established Team Evolution Company Limited on August 15, 2014, to operate the business of producing and distributing electricity from biomass fuel (currently no commercial operations). • Established Smothong Palm 4 (Saraburi) Company Limited on October 27, 2014, to operate the business of producing and distributing palm oil (currently the Saraburi Branch).
2015	• Smothong Palm 2 Company Limited commenced commercial operations in the business of producing and distributing electricity with biogas fuel with a capacity of 2.9 megawatts, resulting in the Group having a total electricity production capacity of 4.8 megawatts. • The major shareholder group sold shares of Mitprasong Green Power Company Limited to two external individuals at a proportion of 40.00% each, resulting in the major shareholder group holding a 20.00% stake in Mitprasong Green Power Company Limited after the transaction. • The Tha Chana Branch received ISO/IEC 17025:2018 testing laboratory competence certification from the Department of Science Service (TESTING LABORATORY ACCREDITATION) and has been continuously audited and certified for such standards.
2016	• Mitprasong Green Power Company Limited expanded its electricity production capacity by 4.52 megawatts, resulting in Mitprasong Green Power Company Limited having an electricity production capacity of 6.42 megawatts and the Group having a total electricity production capacity of 9.32 megawatts.
2017	• Smothong Palm Oil Company Limited, Smothong Palm 2 Company Limited, Smothong Palm 3 Company Limited, and Smothong Palm 4 (Saraburi) Company Limited resolved to approve the amalgamation of all 4 companies, effective from January 4, 2017. After the completion of the amalgamation, business operations have been conducted under the name Smothong Group Company Limited.
2018	• In April 2018, the Saraburi Branch of the Group commenced commercial operations with a production capacity of 30 tons of fresh fruit bunches per hour, resulting in the Group having a total crude palm oil production capacity of 150 tons of fresh fruit bunches per hour. • Residents in Nong Rong Sub-district, Nong Khae District, Saraburi Province, gathered to file a lawsuit with the Administrative Court regarding the issuance of the factory operation license (Ror. Ngor. 4) of the Saraburi Branch, claiming it was issued unlawfully. Later that year, the court issued an order to temporarily stay the enforcement of the factory operation license before the court subsequently changed the order. • Purchased ordinary shares of Mitprasong Green Power Company Limited (“MGP”) from external individuals and related persons operating the business of producing and distributing electricity from biogas fuel. After the transaction, the Group holds a 99.99% stake.

Year	Major Changes and Developments
2019	• The Tha Chana Branch factory increased its production capacity by another 30 tons of fresh fruit bunches per hour, resulting in the Tha Chana Branch having a production capacity of 75 tons of fresh fruit bunches per hour and the entire Group having a crude palm oil production capacity of 180 tons of fresh fruit bunches per hour. • The Phanom Branch factory expanded its electricity production capacity by 2.95 megawatts, resulting in the Phanom Branch having an electricity production capacity of 5.85 megawatts and the Group having a total electricity production capacity of 12.25 megawatts. • The Phanom Branch factory received the Roundtable on Sustainable Palm Oil (RSPO) Supply Chain Certification and has been continuously audited and certified. • The Tha Chana Branch factory received the Roundtable on Sustainable Palm Oil (RSPO) Supply Chain Certification and has been continuously audited and certified.
2020	• The Company established SMG Products Company Limited on July 13, 2020, to operate the business of producing products from by-products of the crude palm oil production process.
2021	• The Company received the Carbon Footprint Label Scheme for Crude Palm Oil and passed the direct greenhouse gas emission audit by the Thailand Greenhouse Gas Management Organization (TGO). (**Note:** For the 2022 audit, 2021 data were used as the base year, and the certificate was received in 2022.)
2022	• The Tha Chana and Phanom branches received Kosher Certificates for product ingredients and the crude palm oil production process. • In August 2022, the Central Administrative Court revoked the stay of execution for the factory license of the Saraburi Branch. • In October 2022, the Saraburi Branch resumed commercial operations with a production capacity of 30 tons of fresh fruit bunches per hour.
2023	• The Saraburi Branch received ISO 9001:2015 certification and Good Hygiene Practice (GHP) standards from Bureau Veritas and has been continuously audited and certified to the present.
2024	• February 2024: Acquired ordinary shares of A L Palm Company Limited (“AL”). After the transaction, the Company holds a 99.99% stake in AL, resulting in AL becoming a subsidiary of the Group. After taking over the factory, the Company improved the machinery used in production, resulting in AL being temporarily unable to conduct commercial operations. • According to the resolution of the Board of Directors Meeting No. 5/2024 held on May 10, 2024, it was resolved to approve the dissolution of SMG Products Company Limited due to changes in the Group’s business plan. • September 2024: AL commenced commercial operations with a crude palm oil production capacity of 60 tons of fresh fruit bunches per hour and a biogas electricity production capacity of 2.13 megawatts. This resulted in the Group having a total crude palm oil production capacity of 240 tons of fresh fruit bunches per hour and a total biogas electricity production capacity of 14.38 megawatts after commencing commercial operations.
2025	• March 15, 2025: The 2025 Annual General Meeting of Shareholders approved the transformation from a limited company to a public limited company, changed the par value of the Company’s ordinary shares from 100.00 Baht per share for 6,884,000 shares to a par value of 1.00 Baht per share (resulting in 688,400,000 ordinary shares), and increased the registered capital by 231.60 million Baht (from 688.40 million Baht to 920.00 million Baht) through the issuance of 231.60 million new ordinary shares at a par value of 1.00 Baht per share to support the Initial Public Offering (IPO). • October 31 to November 4, 2025: Smothong Group Public Company Limited offered 231.60 million new ordinary shares to the public for the first time at a par value of 1.00 Baht per share at an offering price of 5.40 Baht per share. • Approved for listing on the Stock Exchange of Thailand using the ticker symbol “SMO” on November 10, 2025.

1.1.3 Use of Proceeds

According to the Initial Public Offering (IPO) of ordinary shares by Smothong Group Public Company Limited ("the Company") on October 31 and November 3–4, 2025, totaling 231.60 million shares at an offering price of 5.40 Baht per share, the total net proceeds received after deducting underwriting fees and other related offering expenses amounted to approximately 1,193.33 million Baht. The results of the use of proceeds between November 5, 2025, and December 31, 2025, are as follows:

(Unit: Million Baht)

Objectives	Estimated Spending Plan	Amount Used between Nov 5 – Dec 31, 2025	Remaining Balance as of Dec 31, 2025
1. Investment in businesses related to the production and distribution of crude palm oil within the same supply chain, in the form of both Forward Integration and Horizontal Integration.	550.00	79.44	470.56
2. Repayment of loans to financial institutions, which were borrowed as capital for the expansion of the Group's production capacity.	200.00	200.00	0.00
3. Use as capital for production process improvement projects related to ESG.	100.00	0.00	100.00
4. Use as working capital for business operations.	343.33	343.33	0.00
Total	1,193.33	622.77	570.56

The aforementioned use of proceeds from the fundraising is in accordance with the objectives specified in the Company's prospectus.

1.1.4 Obligations pledged by the Company in the registration statement for the offering of securities and/or conditions of permission from the Office (if any) and/or conditions for securities listing by the Stock Exchange (if any)

- None -

1.1.5 General Information of the Company

Security Issuer	:	Smothong Group Public Company Limited
Company Registration No.	:	0107568000060
Stock Ticker Symbol	:	SMO
Nature of Business	:	Operates the business of producing and distributing crude palm oil and related products, and the business of generating electricity from biogas fuel for sale to the Provincial Electricity Authority (PEA).
Head Office Location	:	119/1 Moo 10, Prasong Sub-district,Tha Chana District, Surat Thani
Branch 1	:	333 Moo 6, Khlong Cha-un Sub-district,Phanom District, Surat Thani
Branch 2	:	199/2 Moo 10, Prasong Sub-district,Tha Chana District, Surat Thani
Branch 3	:	199 Moo 10, Na Kratam Subdistrict,Tha Sae District, Chumphon
Branch 4	:	33/3 Moo 1, Nong Rong Sub-district,Nong Khae District, Saraburi
Branch 5	:	87 The Jas Ramintra Building, Room No. JS2RTK207, Lat Pla Khao Road, Anusawari Sub-district,Bang Khen District, Bangkok
Telephone	:	077-951-470
Fax	:	077-951-471 and 077-951-472
Website (URL)	:	www.smothonggroup.com
Registered Capital	:	920,000,000 Baht, divided into 920,000,000 shares
Issued and Paid-up Capital	:	920,000,000 Baht
Par Value per Share	:	1.00 Baht

1.2 Nature of Business

Smothong Group Public Company Limited ("the Company" or "SMO") and its subsidiaries ("the Group") primarily operate in the production and distribution of crude palm oil and related products. The Group has a combined crude palm oil production capacity across all factories of 240 tons of Fresh Fruit Bunches (FFB) per hour. The primary raw material used in production is Fresh Fruit Bunches (FFB), which the Group procures through direct purchases from farmers and from FFB collectors or "collection centers" (Lan-Tay) for the extraction of crude palm oil. The production process yields two main types of products:

(1) Crude Palm Oil (CPO): For distribution to both domestic and international customers. Customers who purchase crude palm oil from the Group can be categorized into two business types:
   1). Trading business (Trader)
   2.). Vegetable oil and biodiesel industries
(2) Palm Kernel (PK): For distribution to domestic customers. Customers who purchase palm kernels from the Group can be categorized into two business types:
   1). Palm kernel oil production business
   2). Trading business (Trader)

Additionally, the crude palm oil production process generates By-products, which include Palm Kernel Shells (PKS), Empty Fruit Bunches (EFB), Long Fiber, Fiber, Decanter Cake, and Dry Decanter Cake.

Furthermore, another business of the Group related to the production and distribution of crude palm oil and related products is the production and distribution of electricity from biogas fuel. This is achieved by taking wastewater from the crude palm oil production process, mixing it with decanter cake (also a by-product of the process), and undergoing microbial fermentation in lagoons to produce Biogas. This biogas is then used as fuel to generate electricity for sale to the Provincial Electricity Authority (PEA) under the Very Small Power Producer (VSPP) power purchase agreement, with a portion utilized for internal operations.

1.2.1 Revenue Structure

The Group's revenue, as per the financial statements, is categorized into two main business types: (1) Revenue from the production and distribution of crude palm oil and related products, and (2) Revenue from the production and distribution of electricity from biogas fuel for sale to the Provincial Electricity Authority (PEA). (For further details, please refer to Section 1, Item 4: Management Discussion and Analysis (MD&A)). The revenue structure by business type according to the financial statements for the years 2023, 2024, and 2025 is as follows:

Revenue by Business Type	Consolidated Financial Statements					
	2023		2024		2025	
	Million Baht	Proportion/1	Million Baht	Proportion/1	Million Baht	Proportion/1
Production and distribution of crude palm oil and related products	5,752.10	97.59%	6,133.19	97.96%	9,711.30	97.75%
Production and distribution of electricity from biogas fuel	130.98	2.22%	119.64	1.91%	166.15	1.67%
Total Revenue from Sales	5,883.08	99.81%	6,252.83	99.87%	9,877.45	99.43%
Other Income/2 /3 /4	11.07	0.19%	8.26	0.13%	57.10	0.57%
Total Revenue/3	5,894.14	100.00%	6,261.09	100.00%	9,934.55	100.00%

Notes : /1 Compared to Total Revenue.

/2 Other Income consists of revenue from the sale of fresh fruit bunches, revenue from the sale of scrap machinery and equipment, interest income, and others.

/3 Total Revenue does not include foreign exchange gains (losses).

/4 Other Income for 2025 includes insurance claim compensation amounting to 44.54 million Baht, which is a one-time transaction.

Regarding the Group's production and distribution of crude palm oil and related products business, sales are conducted both domestically and through international exports. For the years 2023, 2024, and 2025, international revenue has shown continuous growth as a result of the ongoing expansion into foreign crude palm oil markets, in line with the Group's business plan. The details of revenue from the production and distribution of crude palm oil and related products business, categorized by geography, are as follows (further details can be found in Section 1, Item 4: Management Discussion and Analysis (MD&A)):

Revenue from Crude Palm Oil and Related Products Business by Geography	Consolidated Financial Statements					
	2022		2023		2024	
	Million Baht	Proportion/1	Million Baht	Proportion/1	Million Baht	Proportion/1
Domestic Revenue	6,161.42	92.13%	3,921.25	68.17%	2,935.32	56.21%
International Revenue	526.14	7.87%	1,830.85	31.83%	2,286.95	43.79%
Total Revenue from CPO and Related Products Business	6,687.56	100.00%	5,752.10	100.00%	5,222.27	100.00%

Note : /1 Proportion of revenue from the production and distribution of crude palm oil and related products business.

Regarding the export of crude palm oil to foreign markets, the Group first entered the export market in 2022 by selling to trading customers (Traders) from Singapore. The Group's delivery terms conclude responsibility at the port of origin (Free On Board: FOB), whereby the buyer is responsible for arranging the vessel and bearing the costs of transporting the goods from the port of origin to the destination port. For payment, the Company receives payment in US Dollars; however, for accounting purposes, the amount is converted from US Dollars to Thai Baht using the exchange rate as of the transaction date.

1.2.2 Product Information

(1) Crude Palm Oil and Related Products Business

The production and distribution of crude palm oil and related products is the Group's core business, with the primary products being Crude Palm Oil and Palm Kernels. Currently, the Group operates four production facilities located across three provinces: Surat Thani, Chumphon, and Saraburi. These facilities have a combined production capacity of 240 tons of Fresh Fruit Bunches (FFB) per hour, capable of processing a maximum of 5,760 tons of FFB per day. This translates to a maximum daily production of approximately 1,152 tons of Crude Palm Oil (CPO) (calculated at an 18.00% oil extraction rate). Crude Palm Oil is an intermediate product used as a raw material in various downstream industries, such as biodiesel production, food manufacturing, and the oleochemical industry. The end products derived from these downstream industries are familiar to consumers, including cooking oil, biodiesel, cosmetics, and snacks. In addition, the crude palm oil production process yields another significant primary product: Palm Kernels (PK). These are used as raw material for producing Crude Palm Kernel Oil (CPKO), which serves several downstream sectors including the food, animal feed, oleochemical, and cosmetic industries. Beyond the primary products, the production process also generates various by-products, such as palm kernel shells, palm fiber, empty fruit bunches, shredded bunches, decanter cake, and dry decanter cake. These can be sold to customers in diverse sectors, including renewable power plants, livestock industries, or used as industrial fuel. Consequently, this crude palm oil production business is considered nearly zero-waste, generating minimal waste from its processes. Details regarding the sale of products for the crude palm oil and related products business are as follows:

Items	2023		2024		2025	
Sales Volume (Tons)						
Crude Palm Oil (CPO)	158,777		149,836		220,328	
Dried Palm Kernel (PK)	37,192		41,917		65,405	
Sales Value	**Million Baht**	**Proportion/1**	**Million Baht**	**Proportion/1**	**Million Baht**	**Proportion/1**
Crude Palm Oil (CPO)	4,990.12	86.75%	5,222.27	85.15%	7,930.91	81.67%
Dried Palm Kernel (PK)	532.64	9.26%	784.69	12.79%	1,601.67	16.49%
By-products and Others	229.34	3.99%	126.23	2.06%	178.72	1.84%
Total Revenue from CPO and Related Products Business	5,752.10	100.00%	6,133.19	100.00%	9,711.30	100.00%

Note: /1 Compared to revenue from the production and distribution of crude palm oil and related products business.

(1.1) Product Characteristics

(1.1.1) Crude Palm Oil (CPO)

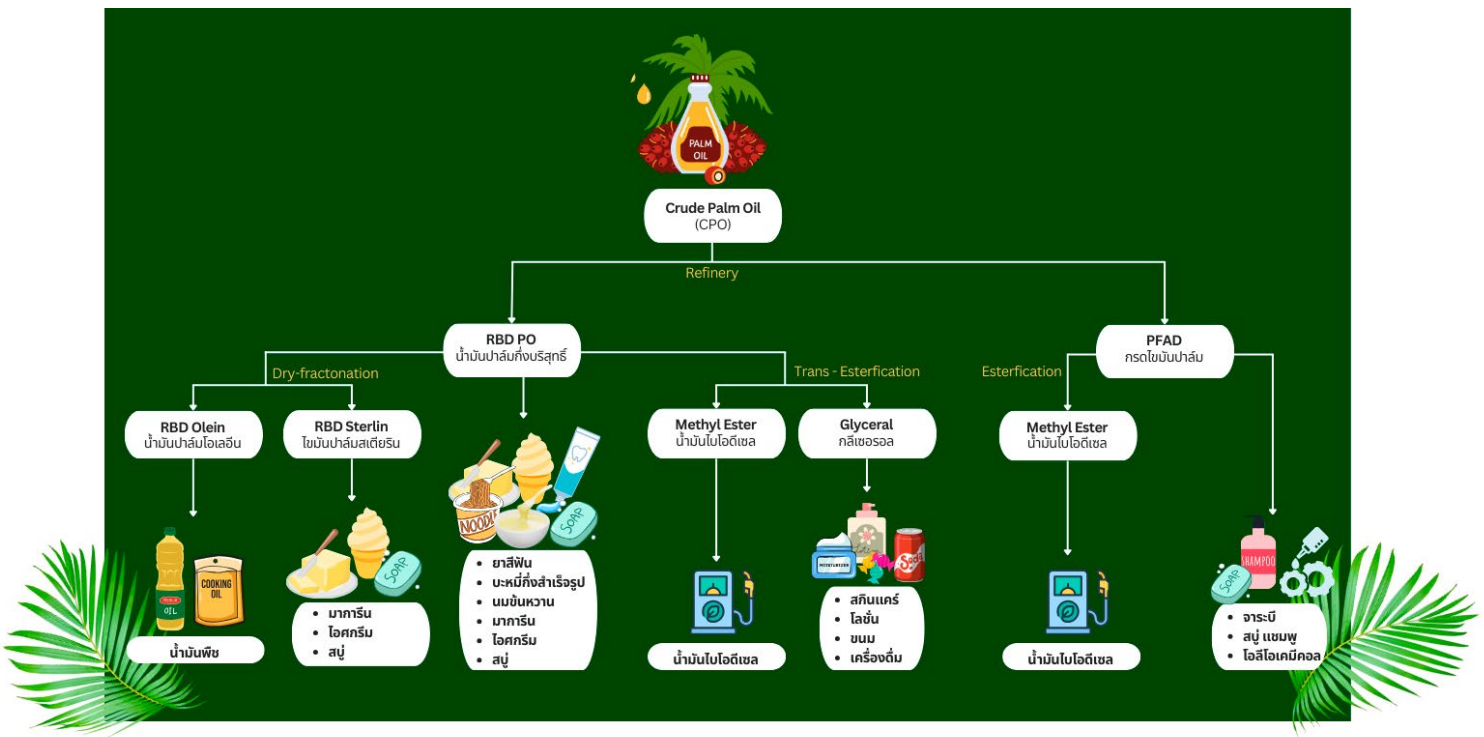
Crude Palm Oil (CPO) is the product obtained from the extraction process of Fresh Fruit Bunches (FFB), which are filtered to remove impurities until pure crude palm oil is obtained. The Oil Extraction Rate (OER) varies according to the quality of the FFB. In Thailand, the average OER typically ranges between 18% – 19%. Once processed, crude palm oil is a reddish-brown liquid that must be stored at appropriate temperatures. In the trading of CPO, buyers and sellers generally determine both the trading price and product quality by referencing the Palm Oil Refiners Association of Malaysia (PORAM) standards as the primary criteria for quality assessment.

The Group's crude palm oil can be classified into two categories including Crude Palm Oil (CPO): Standard crude palm oil produced through the normal extraction process and Certified Sustainable Palm Oil (CSPO): Crude palm oil that has been certified for sustainability in palm oil production. This is governed by the standards of the Roundtable on Sustainable Palm Oil (RSPO). While there are no differences in the physical characteristics or quality between these two types of oil, they are distinguished by the source of the raw materials. Specifically, the FFB used to produce CSPO must originate exclusively from plantations or smallholders that have been certified under RSPO sustainability standards. Furthermore, the Group's processing facilities must also hold RSPO certification. It should be noted that the production processes for both product types are identical.

The volume of Certified Sustainable Palm Oil (CSPO) that the Group can sell to customers is strictly limited. The allowable sales volume is calculated by taking the quantity of Fresh Fruit Bunches (FFB) purchased from RSPO-certified plantations and multiplying it by a predetermined oil extraction rate. Consequently, the Group cannot sell CSPO in quantities exceeding this calculated limit, a system functioning similarly to a quota. In terms of pricing, the market price for CSPO is typically higher than that of CPO during the same period.

Items	Unit	2023	2024	2025
Procurement volume of certified FFB	Tons	33,680	31,189	41,539
Determined Oil Extraction Rate (OER)	%	20.00%	20.00%	20.00%
Allowable CSPO sales volume	Tons	6,736	6,238	8,308

Crude palm oil is a vital raw material utilized across a wide range of downstream industries. Before being processed into end-products, it must undergo various chemical or physical processes to obtain specific derivatives. The details of the products derived from crude palm oil are as follows:



Furthermore, to ensure that crude palm oil production meets quality standards before delivery to customers, the Group implements quality control processes through sampling and testing in laboratories certified under ISO/IEC 17025:2017. This international accreditation ensures that the crude palm oil delivered to the Group's customers consistently meets their quality expectations.

Regarding production standards, the Group has been certified for its manufacturing and product control processes by leading institutions, including Green Industry Level 2, Good Hygiene Practice (GHP), and Kosher standards, among others.

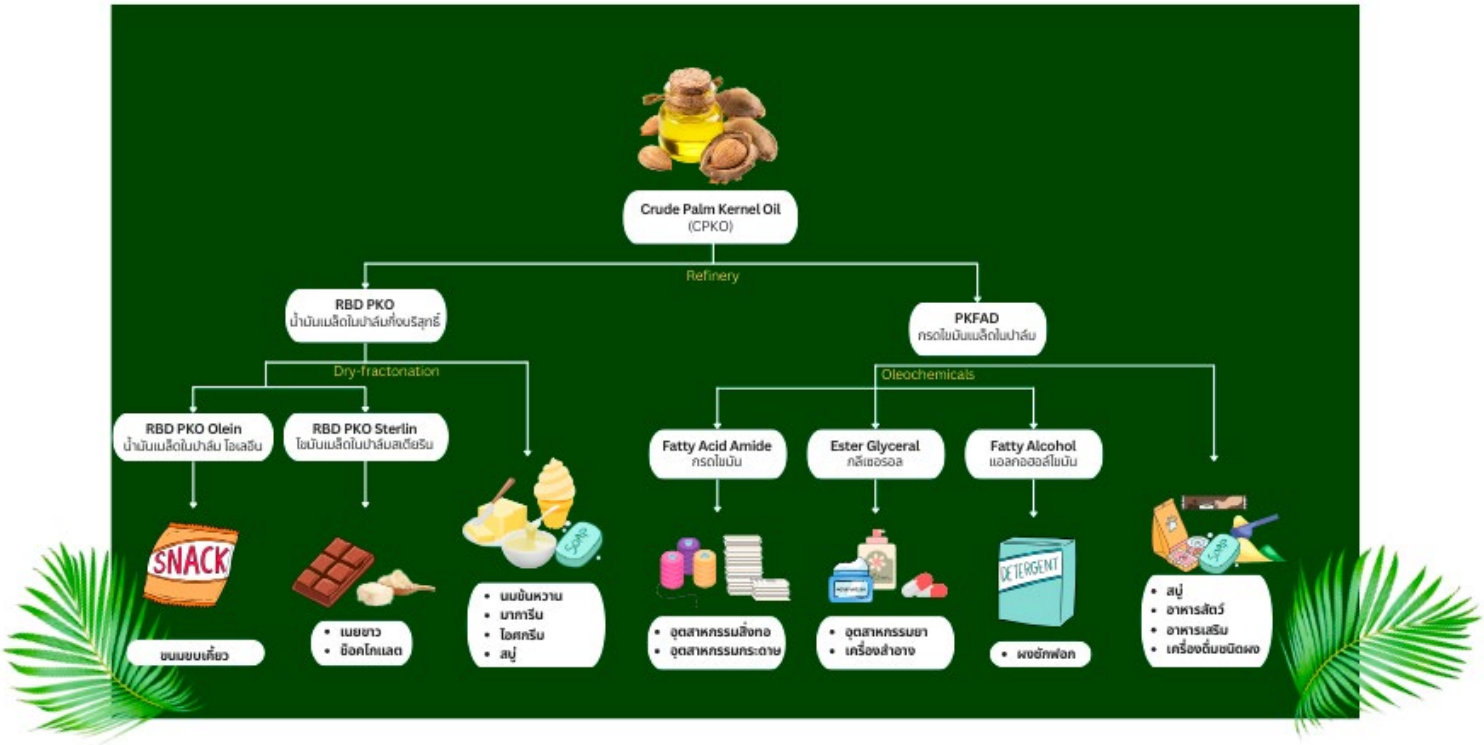
(1.1.2) Dried Palm Kernel (PK)

Palm Kernel is one of the primary products derived from the crude palm oil extraction process. After the oil is pressed from the Fresh Fruit Bunches (FFB), a mixture of fiber and palm nuts remains. These nuts are then conveyed to a depericarping and cracking process to remove the outer shell. At the innermost part of the nut is the Palm Kernel (PK), which is a hard, off-white kernel. Palm kernels serve as the raw material for producing Crude Palm Kernel Oil (CPKO). In trading palm kernels, both the transaction price and quality standards are typically agreed upon by buyers and sellers.

The Group's palm kernels are classified into two categories: Palm Kernel (PK) and Certified Sustainable Palm Kernel (CSPK). The framework for CSPK is identical to that of CSPO in every aspect, differing only in the yield rate used to multiply the volume of RSPO-certified FFB purchased by the Group. The details regarding the procurement of RSPO-certified FFB and the volume of CSPK sold by the Company for the years 2023, 2024, and 2025 are as follows:

Items	Unit	2023	2024	2025
Procurement volume of certified FFB	Tons	33,680	31,189	41,539
Determined Palm Kernel yield rate	%	5.00%	5.00%	5.00%
Allowable CSPK sales volume	Tons	1,684	1,559	2,076

Palm kernel is a raw material that must undergo oil extraction before being used in downstream industries. The primary product obtained from this extraction is Crude Palm Kernel Oil (CPKO), which has a pale yellow appearance similar to vegetable oil. Its properties differ from crude palm oil in that it can solidify at room temperature and possesses high heat resistance. CPKO is highly versatile and can be utilized across various sectors, including the food industry, beauty and personal care, and the textile and paper industries. The applications within these various industries are detailed as follows:



(1.1.3) By-products from the Production Process

By-products from the production process refer to products generated during the crude palm oil extraction process. The details of these products and their applications are as follows:

Type of By-product	Image	Description
Palm Shell		The outermost shell of the palm nut, obtained from the nut-cracking process. It is brown, hard, and commonly used as a high-calorific alternative fuel in various industries.
Long Fiber		A product obtained from the oil extraction of Empty Fruit Bunches (EFB), which are then finely chopped. It is typically used as fuel in biomass power plants or as a substitute for other fuel types.
Fiber		A shredded fiber product resulting from the crude palm oil pressing process. The Company utilizes this fiber as fuel for its steam boilers to generate electricity and thermal energy for internal use and production processes, reducing reliance on external energy sources.
Empty Fruit Bunch: EFB		The structural residue remaining after the palm fruits have been stripped from the bunch. The Company primarily processes EFB to extract residual oil. Any remaining EFB not entering the extraction process is sold to third parties for use as biomass fuel for electricity generation.

Type of By-product	Image	Description
Decanter Cake		A sediment byproduct obtained from the process of separating crude palm oil from impurities. Decanter cake is high in protein and can be used as an animal feed ingredient or as a raw material for biogas production
Dry Decanter Cake		A product derived from processing decanter cake through a hot-air drying system, utilizing waste heat from boiler stacks to remove moisture. This process extends the product's shelf life and increases its market value. Dry decanter cake is high in protein and is sold to livestock farmers as a nutritional substitute in animal feed.

Investment Promotion for Crude Palm Oil and Related Products Business

The Group has been granted tax privileges by the Board of Investment (BOI) under the Investment Promotion Act B.E. 2520, subject to specified terms and conditions. Detailed information regarding the investment promotion certificates can be found in Part 1, Item 4: Management Discussion and Analysis (MD&A), Section 4.1.7: Income Tax Expense.

(1.2) Marketing and Competition

The Group focuses on manufacturing high-quality products that meet the demands of downstream industrial customers both domestically and internationally. We adhere to the principle of responsible business operations, beginning with a rigorous raw material selection process and extending through every stage of our controlled production environment. This ensures that the final products delivered to customers are of superior quality, fostering long-term trust and confidence among our business partners, which serves as the foundation for the Group's business sustainability.

(1.2.1) Target Customer Groups

The Group produces and distributes crude palm oil and related products to both domestic and international customers. Target customer groups can be categorized by product as follows:

1. **Crude Palm Oil: CPO**

   Crude Palm Oil is classified as a commodity and serves as a vital raw material for downstream industries, specifically the biodiesel and food industries. Before being processed into end-products, CPO must undergo chemical or physical refining to achieve the specific properties required for different applications (see details in section (1.1.1) Crude Palm Oil). Accordingly, the Group's target customers are industrial operators who require CPO as a raw material or commercial entities engaged in CPO procurement and distribution (Traders). Our operations are entirely Business-to-Business (B2B).

   Currently, the Group distributes products to both domestic and international markets, with the target customer details as follows:

   1.1 **The domestic target customers** consist of the biodiesel industry, the vegetable oil industry, and domestic crude palm oil procurement and distribution businesses (Domestic Traders). The details for each customer segment are as follows:

   (1) Biodiesel Industry Customer Group

   The target customers in the biodiesel industry are operators of biodiesel production plants that utilize crude palm oil (CPO) as the primary feedstock in their manufacturing processes. These customers are typically large-scale industrial plants, as the machinery required for production necessitates high capital investment. Currently, a key major customer in this segment for the Group is BBGI Public Company Limited.

(2) Vegetable Oil Industry Customer Group

The target customers in the vegetable oil industry are operators of refined palm oil refineries whose primary objective is to produce refined oil for human consumption (cooking oil). Similar to the first group, these customers are usually large-scale industrial operations due to the high capital requirements for refinery machinery. Currently, the Group's key major customers in the vegetable oil industry include Patum Vegetable Oil Co., Ltd., Lam Soon (Thailand) Public Company Limited, and SD Guthrie International Morakot Public Company Limited.

(3) Domestic Crude Palm Oil Procurement and Distribution Group (Domestic Traders)

The target customers in the domestic procurement and distribution segment are operators based in Thailand who may have businesses related to crude palm oil, such as palm oil extraction, palm oil refining, or strictly CPO trading. These entities may operate a single business line or multiple integrated businesses. Currently, a key major customer in this segment is Thachang Palm Oil Industries Co., Ltd.

1.2 **International target customers** are major overseas procurement and distribution entities with a global customer base (International Traders). Currently, the Group's primary customers in this segment are leading global corporations established in Singapore, whose main customer base for crude palm oil is located in India.

For the years 2023, 2024, and 2025, the Group's revenue from crude palm oil sales, categorized by customer type, is as follows:

Revenue from Crude Palm Oil Sales by Customer Type	2022		2023		2024	
	Million Baht	Proportion/1	Million Baht	Proportion/1	Million Baht	Proportion/1
Procurement & Distribution (Trader)	2,303.90	46.17%	2,780.13	53.24%	3,857.21	48.64%
Domestic	473.05	9.48%	493.18	9.44%	0.00	0.00%
International	1,830.85	36.69%	2,286.95	43.79%	3,857.21	48.64%
Biodiesel & Vegetable Oil Industry	2,686.22	53.83%	2,442.15	46.76%	4,073.70	51.36%
Total Revenue from CPO Sales	4,990.12	100.00%	5,222.27	100.00%	7,930.91	100.00%

Note: /1 Compared against total revenue from crude palm oil sales.

2. Dried Palm Kernel (PK)

Palm kernel is a raw material used to produce Crude Palm Kernel Oil (CPKO). The target customer groups for palm kernels include crude palm kernel oil extraction plants and palm kernel procurement and distribution businesses (Traders).

3. By-products from Production

By-products from the production process include Palm Shell, Long Fiber, Fiber, Empty Fruit Bunches (EFB), Decanter Cake, and Dry Decanter Cake. The target customers for these by-products vary across multiple industries, such as their use as fuel for steam boilers, fuel for electricity generation, and animal feed ingredients.

(1.2.2) Pricing Policy

The business of producing and distributing crude palm oil, palm kernels, and related by-products involves products that are primarily commodities. These serve as raw materials for intermediate and downstream products across various industries. Several factors influence price levels, including:

- Import and export duty policies for crude palm oil.
- Domestic policies regarding the mandatory blending ratio of biodiesel in diesel fuel.
- Government intervention in Fresh Fruit Bunch (FFB) pricing to support farmers.
- Domestic and international demand.
- Reference prices in the global market and the Department of Internal Trade (DIT) of Thailand.
- The number of palm oil mills and refineries within the country.
- Global prices of crude oil and substitutable vegetable oils.
- Annual FFB output and domestic/international palm oil inventory (Stock) levels.
- Occasional direct or indirect factors, such as geopolitical instability (e.g., Ukraine, Israel, and the Middle East) or shortages of substitutable vegetable oils.

These diverse factors impact both the raw material costs and the Group's product prices. Pricing mechanisms for both raw materials and finished goods are generally determined by market supply and demand, though they may be subject to occasional government intervention through the setting of minimum FFB floor prices or maximum retail price caps on cooking oil to benefit farmers and consumers.

In light of these factors, the Group's pricing policy is based on prevailing market mechanisms at any given time. This is considered alongside the Group's production costs, internal and domestic inventory levels, and reference prices from the Department of Internal Trade, the Malaysian market, and the Rotterdam market. We also monitor the pricing of competitors with similar product quality to determine daily Spot Prices. The Group strategically manages the timing of sales to mitigate risks from price fluctuations. Sales are categorized into two types: Spot Contracts (per transaction) and Long-term Contracts, with the following pricing criteria:

1. **Spot Contracts (Domestic)**
   Spot contracts involve transactions where the volume, price, and delivery date are agreed upon on a per-transaction basis. The pricing follows the Group's policy, which considers production costs, the Department of Internal Trade (DIT) reference prices, competitors' prices, and manufacturing standards. Prices for each customer are determined based on the prevailing conditions at that time. The Group's pricing structures are categorized into two types: Ex-mill price, where the buyer is responsible for transportation costs, and Delivered price (Include Transportation), where the seller manages and includes the transportation costs in the product price.

2. **Spot Contracts (International)**
   International spot sales follow a similar volume and price determination process as domestic sales but differ in that prices are quoted in US Dollars (USD). Consequently, foreign exchange rates are an additional factor to consider. The standard delivery term for international sales is Free on Board (FOB) at the port of origin. To mitigate foreign exchange risks, the Group has a risk management policy requiring that every CPO export contract denominated in foreign currency must be hedged using financial derivatives for at least 50% of the transaction value, with an accumulated unhedged limit not exceeding USD 1 million at any time. However, in practice, the Group typically hedges the full transaction amount to ensure that the exchange rate on the payment date does not fall below production costs and to prevent actual cash flow losses.

3. **Long-term Contracts (Domestic Only)**
   Long-term contracts are agreements between the buyer and the Group that specify the volume and delivery schedule over a set period, typically on an annual basis. The transaction price is based on the average Department of Internal Trade (Bangkok and Vicinity) price during the week of completed delivery, adjusted by discounts or premiums as agreed with the buyer. (Significant contract details can be found in Attachment 4: Assets used in business operations and details of asset valuation). Long-term contracts assist the Company in more efficient sales planning and inventory management.

Since crude palm oil and related products are commodities, where prices are volatile and heavily influenced by the aforementioned domestic (DIT) and international reference prices, the Group focuses on maintaining competitive advantages by strictly controlling production costs and maximizing the Oil Extraction Rate (%OER). This is achieved through rigorous raw material quality control and regular machinery efficiency improvements.

(1.2.3) Distribution and Sales Channels

The distribution channels for crude palm oil are divided into two categories: domestic sales and international sales.

1. **Domestic Sales Channels**
   Domestic distribution is managed by the Company's sales department, which directly and regularly contacts target customers to present products, negotiate prices, volumes, and payment terms in accordance with mutually agreed conditions. Most customers are industrial operators who use CPO as a raw material and have maintained long-standing business relationships with the Group.

2. **International Sales Channels**
   The distribution of crude palm oil (CPO) to international markets is conducted through two primary methods: (1) Direct Sales, managed by the Company's export sales department, which is responsible for presenting products and negotiating prices, volumes, delivery terms, and payment conditions directly with customers; and (2) Sales through Brokers, where external individuals or legal entities act as intermediaries to coordinate with buyers. These brokers assist in negotiating sales terms, volumes, and logistics to align with the Group's requirements. Currently, the Group's international customers consist of reputable global procurement and distribution firms (Traders) specializing in CPO or other commodities.

(1.2.4) Advertising and Public Relations

The Group's advertising and public relations strategy focuses on two key pillars: Farmers and Palm Oil Collecting Yards (Lan Tay) and Customers. Given their vital roles in the business value chain, the Group prioritizes communication with these groups as follows:

1. **Farmers and External Palm Oil Collecting Yards**

   Farmers and collecting yards are essential business partners providing the primary raw material—Fresh Fruit Bunches (FFB)—for the CPO extraction process. The Group utilizes various communication channels, including the corporate website, Facebook Fan Page, and other digital media, to disseminate beneficial industry news. Furthermore, the Group organizes training sessions to educate farmers on the Roundtable on Sustainable Palm Oil (RSPO) standards to promote sustainable palm cultivation. These programs emphasize stakeholder impact, particularly regarding land rights and the prevention of forest encroachment. Additionally, the Group provides guidance on palm plantation management and high-quality harvesting techniques to ensure superior raw material quality, which enhances factory yields and generates better returns for the farmers.

2. **Customers**

   As the Group's customers are primarily downstream industrial operators using CPO as a feedstock, communication is maintained via the corporate website and other electronic media. These platforms introduce product specifications for Crude Palm Oil, Palm Kernels, and various by-products, and serve as an initial touchpoint for customers to request product samples. Furthermore, management maintains a policy of regular site visits to gather customer feedback, which is used to refine and improve product quality to better align with evolving market demands.

(1.3) Product Procurement

The procurement of products for the crude palm oil (CPO) and related products business is conducted through two primary channels: the Group's own manufacturing facilities and the procurement from third-party palm oil mills. The Group prioritizes sourcing through its own production facilities and utilizes external mills as a strategic alternative. This approach is particularly necessary when the Group aims to fulfill large-scale sales orders that exceed internal capacity to meet customer demand. The details of each procurement channel are as follows:

(1.3.1) Production Facilities and Capacity

Currently, the Group operates a total of four crude palm oil mills under two entities within the Group, with details as follows:

<u>Smothong Group Public Company Limited</u>

(1) Tha Chana Branch Mill: Located in Prasong Sub-district, Tha Chana District, Surat Thani Province, with a production capacity of 75 tons of Fresh Fruit Bunches (FFB) per hour.
(2) Phanom Branch Mill: Located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province, with a production capacity of 75 tons of FFB per hour.
(3) Saraburi Branch Mill: Located in Nong Rong Sub-district, Nong Khae District, Saraburi Province, with a production capacity of 30 tons of FFB per hour.

A L Palm Co., Ltd.

(1) AL Mill: Located in Thung Takrai Sub-district, Thung Tako District, Chumphon Province, with a production capacity of 60 tons of FFB per hour.

Smothong Group Public Company Limited, Tha Chana Branch – Crude Palm Oil Mill

Smothong Group Public Company Limited, Phanom Branch – Crude Palm Oil Mill

Smothong Group Public Company Limited, Saraburi Branch – Crude Palm Oil Mill

A L Palm Company Limited – Crude Palm Oil Mill

The Group operates crude palm oil (CPO) mills across multiple strategic locations as follows:

1. **Tha Chana Branch Mill:** Located in Prasong Sub-district, Tha Chana District, Surat Thani Province. Situated in northern Surat Thani bordering Chumphon Province, this facility is strategically positioned to procure Fresh Fruit Bunches (FFB) from the eastern coast of Southern Thailand.
2. **Phanom Branch Mill:** Located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Situated in western Surat Thani bordering Krabi and Phang Nga Provinces, it serves as a procurement hub for FFB from the western coast of Southern Thailand.
3. **Saraburi Branch Mill:** Located in Nong Rong Sub-district, Nong Khae District, Saraburi Province. Situated in southern Saraburi bordering Wang Noi District (Ayutthaya) and Pathum Thani Province, this facility is capable of procuring FFB from the Northeastern region of Thailand.
4. **AL Mill (A L Palm Co., Ltd.):** Located in Thung Takrai Sub-district, Thung Tako District, Chumphon Province. Situated in the central-eastern part of Chumphon, it procures FFB from the upper Southern region of Thailand.

The geographical diversity of the Group's mills is a key business strategy for the production and distribution of CPO and related products. Each location offers high potential for raw material procurement. Furthermore, the mills are situated near primary highways, facilitating efficient logistics via the Group's truck fleet.

The details of the Group's installed capacity, utilization rates, and production output for 2023, 2024, and 2025 are as follows:

Production Details	Unit	2023	2024	2025
Production Capacity (as of December 31)	Tons FFB/hr	180	240/2	240
Maximum Capacity /1	Tons	1,425,600	1,584,000	1,900,800
Quantity of FFB Processed	Tons	791,045	833,861	1,249,268
Average Utilization Rate	%	55.49%	52.64%	65.72%
Oil Extraction Rate (OER)	%	18.73%	17.65%	17.84%
Crude Palm Oil (CPO) Produced	Tons	148,184	147,180	222,836
Kernel Extraction Rate (KER)	%	5.28%	5.08%	5.27%
Dried Palm Kernel (PK) Produced	Tons	41,786	42,356	65,783

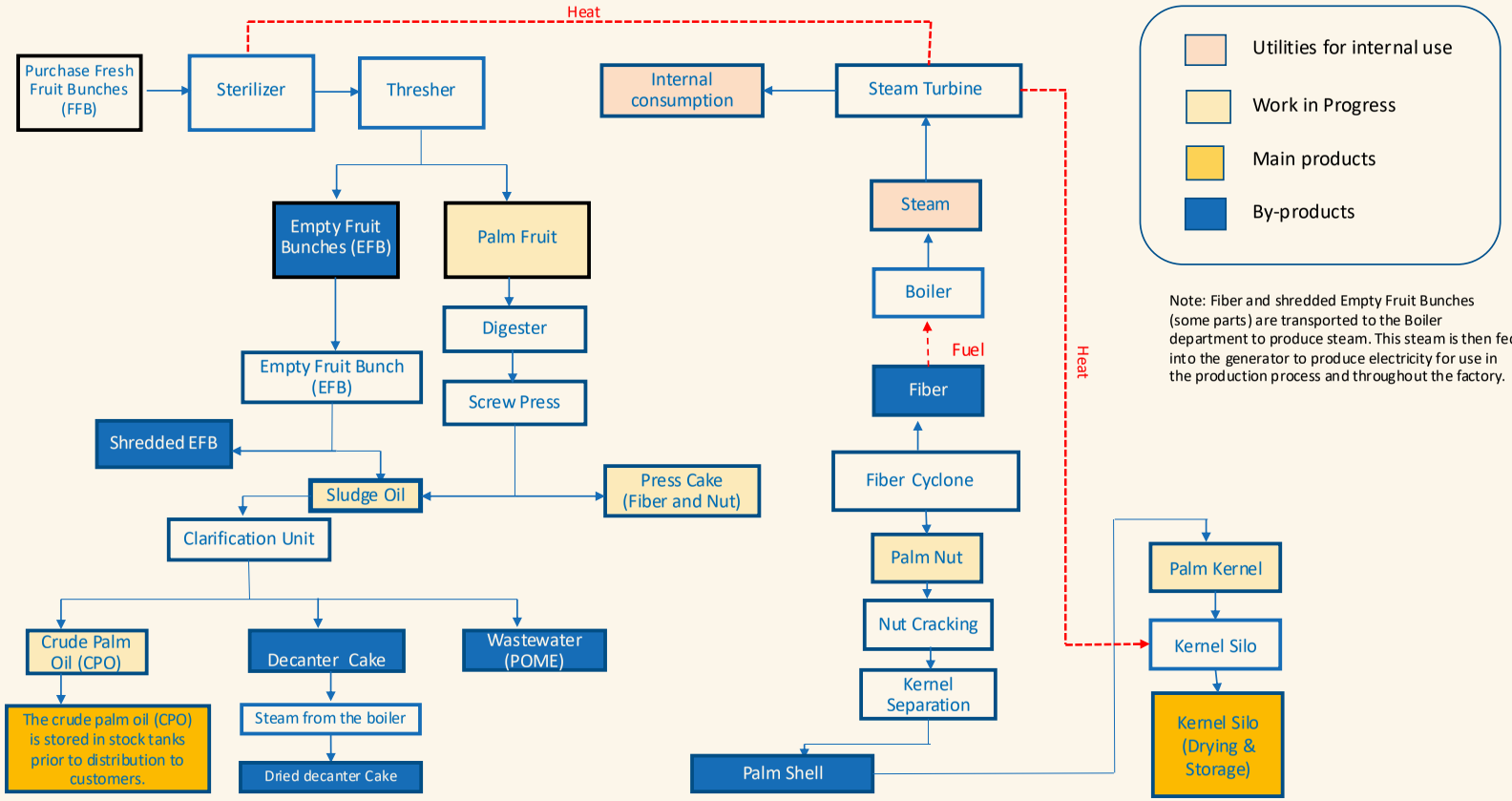
Notes: /1 Maximum capacity is calculated based on all Group mills operating 24 hours a day for 330 days per year (approx. 27.5 days per month), adjusted for the commercial start dates of each facility during the period.

/2 Per the Board of Directors Meeting No. 2/2024 on January 27, 2024, the acquisition of A L Palm Co., Ltd. was approved. Following the takeover, production processes were upgraded, and commercial operations commenced in September 2024 with a capacity of 60 tons FFB/hr.

The production of crude palm oil begins with loading Fresh Fruit Bunches (FFB) into sterilizers for steaming. This process softens the fruit, making it easier to strip from the bunches and separate the pulp (mesocarp) from the nuts. The sterilized FFB is then conveyed to the Threshing Drum, which separates the ripe fruit from the empty bunches. The ripe fruit is moved to the Digester, while the stripped bunches go through a Double Crusher and an EFB Press to extract residual sludge (a mixture of water, oil, and sediment). This sludge is later funneled into the oil separation stage. In the digester, the fruit is stirred to separate the pulp from the kernels before entering the Screw Press. This stage yields oil sludge, fiber, and nuts. The oil sludge undergoes Oil Separation to remove impurities such as water, sand, and decanter cake (sediment). The resulting crude palm oil is passed through a vacuum dryer to remove moisture before being stored in Stock Tanks for distribution. The remaining nuts are dried and cracked to extract Palm Kernels (PK). These kernels are dried once more before being stored in silos for sale. Throughout the process, various by-products such as fiber, palm shells, chopped EFB, and decanter cake are generated, which can be sold or utilized internally by the Company.

The Crude Palm Oil Production Process

Overview of Palm Oil Production Process



Note: [1/] Fiber and shredded Empty Fruit Bunches (some parts) are transported to the Boiler department to produce steam. This steam is then fed into the generator to produce electricity for use in the production process and throughout the factory.

Crude Palm Oil Production Process Details

Fresh Fruit Bunch (FFB) Reception Upon purchasing Fresh Fruit Bunches (FFB) from various suppliers, the bunches are transported and aggregated at the factory's ramp. A quality assessment is conducted based on the sourcing origin to determine the optimal temperature, duration, and pressure for the sterilization process. Once the quality is verified, the FFB is loaded into sterilizer cages according to specified weights in preparation for steaming.

FFB Sterilization After the FFB is loaded into the horizontal or vertical sterilizers, the steaming process begins using high-pressure steam. An automated system ensures precision in controlling temperature, time, and pressure. This process deactivates lipase enzymes and softens the fruit. Once sterilized, the bunches are discharged and conveyed to the threshing unit.

Threshing The sterilized bunches are conveyed to the Threshing Machine (Drum Thresher), which strips the palm fruitlets from the bunches through a rotary motion. The detached fruitlets are then conveyed to the Digester for oil extraction. Meanwhile, the Empty Fruit Bunches (EFB) are directed toward the EFB oil recovery pressing unit.

Digestion and Oil Pressing In the Digester, the fruitlets are stirred and crushed under steam heat until they form a homogenous mash. This mash is then fed into the Screw Press to extract the oil. This stage yields three components: crude oil, palm fiber, and palm nuts.

- The crude oil proceeds to the clarification and purification stage.
- The fiber and nuts are sent to the Depericarper (fiber-nut separator). The separated fiber is used as biomass fuel for electricity and thermal energy generation, while the nuts proceed to the kernel recovery stage.

EFB Oil Recovery and Pressing The Empty Fruit Bunches (EFB) are sent to a Double Crusher for shredding before entering the EFB Press to recover residual oil. The extracted sludge from this process is funneled into the clarification system. The remaining pressed EFB is further processed through a chopper, resulting in a by-product known as Long Fiber.

Oil Clarification and Cleaning The crude oil obtained from both fruit pressing and EFB recovery passes through a vibrating screen to remove sand and solid impurities. It is then pumped into the Clarification Storage (CS) Tank to separate the oil from water and sludge through gravity settling. The pure oil floating at the top is skimmed off for further purification. The sludge at the bottom of the CS Tank is pumped to a Decanter to recover any remaining oil. The solids recovered from this process are a by-product called Decanter Cake. The effluent (wastewater) containing residual oil is sent to a separation recovery process; the recovered oil is recycled back to the CS Tank, while the final wastewater is utilized in the Biogas Plant for renewable electricity generation.

Oil Purification and Vacuum Drying The clarified oil is processed through a Purifier (centrifuge) to remove remaining fine impurities and then through a Vacuum Dryer Pump to eliminate moisture. This ensures the oil meets quality standards before being transferred to the CPO Storage Tanks for distribution.

Kernel Recovery and Cracking Palm nuts from the depericarper are conveyed to a Nut Silo for conditioning before entering the Nut Cracker. After cracking, the mixture of kernels and shells is separated using an Air Separator . Any remaining small kernel fragments mixed with shells are further separated via a Clay Bath. The recovered Palm Kernels (PK) are dried to the required moisture level and stored in silos, while the Palm Shells are collected as a valuable biomass by-product.

Biomass Fuel for Power and Steam Generation The palm fiber separated from the nuts is conveyed as the primary fuel for the Steam Boiler. The steam generated is utilized by the steam turbine to produce electricity and provide thermal energy for various stages of the production process, ensuring energy self-sufficiency within the mill.

Production Standards and Factory Certifications

The Group's crude palm oil mills have been granted various international and national certifications regarding quality, production, and other sustainability standards, as detailed below:

Certificates & Standards	Certified Entity	Certified By	Issue Date	Expiry Date
1. **RSPO (Roundtable on Sustainable Palm Oil)** An organization established to resolve social and environmental issues in the palm oil industry. Members must adhere to criteria such as resource allocation, protection of fragile ecosystems, natural habitats, and biodiversity to ensure long-term economic and financial stability, aiming for safe, legal, and efficient production.	SMO (Tha Chana) SMO (Phanom) SMO (Saraburi) AL	Tüv nord integra bvba	11 Dec 2024 25 Nov 2024 06 Dec 2024 14 Jul 2025	07 Feb 2029 07 Feb 2029 05 Dec 2029 13 Jul 2030
2. **ISO 9001:2015** An international standard for Quality Management Systems (QMS). It encompasses the company's essential processes, taking into account inputs and outputs, monitoring, measurement, and key performance indicators (KPIs) of various operations.	SMO (Tha Chana) SMO (Phanom) SMO (Saraburi) AL	BSI GROUP (THAILAND)	26 Nov 2024 26 Nov 2024 26 Nov 2024 19 Jun 2023	25 Nov 2027 25 Nov 2027 25 Nov 2027 18 Jun 2026
3. **ISO/IEC 17025:2017** An international standard for the competence of testing and calibration laboratories. It ensures the reliability of inspection and product certification processes through a high-quality system and technical proficiency.	SMO (Tha Chana)	Bureau of Laboratory Accreditation	05 Sep 2023	05 Aug 2027

Certificates & Standards	Certified Entity	Certified By	Issue Date	Expiry Date
4. GHP (Good Hygiene Practice Standards) A set of criteria for establishing good hygiene practices in food production. The primary objective is to control quality and prevent food hazards, including physical, chemical, and biological risks. This standard covers facility hygiene, raw materials, packaging, and every stage of production and transportation until the product reaches the consumer. It is an adaptation of the Good Manufacturing Practice (GMP) guidelines, tailored to be appropriate and consistent with community-based food production activities to ensure products meet quality standards and remain safe for consumers.	SMO (Tha Chana) SMO (Phanom) SMO (Saraburi)	BSI GROUP (THAILAND)	26 Nov 2024 26 Nov 2024 26 Nov 2024	25 Nov 2027 25 Nov 2027 25 Nov 2027
5. Green Industry (Level 2) The Ministry of Industry established Green Industry requirements to encourage and push operators toward continuous development and improvement. The certification consists of five levels; the Company has achieved Level 2: Green Activity. This signifies that the Company has established environmental policies, developed strategic action plans, and effectively implemented those plans to achieve tangible results.	SMO (Tha Chana) SMO (Phanom) SMO (Saraburi) AL	Office of the Permanent Secretary, Ministry of Industry	18 Mar 2025 22 Apr 2024 08 Jan 2025 19 Jun 2024	17 Mar 2028 21 Apr 2027 07 Jan 2028 18 Jun 2027
6. KOSHER Certificate A certification mark guaranteeing that products are manufactured using raw materials and production processes in accordance with Jewish dietary laws. The inspection focuses primarily on the factory's production line to prevent any cross-contamination from animal-based ingredients.	SMO (Tha Chana) SMO (Phanom)	Thai Kashrut Service Ltd.	29 May 2025 29 May 2025	31 May 2026 31 May 2026
7. Carbon Footprint for Organization (CFO) The total amount of greenhouse gas emissions released from various organizational activities, such as fuel combustion, electricity usage, waste management, and transportation. This is measured in tons of carbon dioxide equivalent.	SMO (Tha Chana) SMO (Phanom) SMO (Saraburi)	Thailand Greenhouse Gas Management Organization (Public Organization) — TGO	22 Aug 2025 22 Aug 2025 24 Jul 2025	Note: The certificate does not specify an expiry date but is subject to renewal in the next certification cycle.

(1.3.2) Raw Material Procurement

1. Procurement Channels

The primary raw material for the Group's crude palm oil production and related products business is Fresh Fruit Bunches (FFB), which is the most critical component of production. For the years 2023 – 2025, the Group procured raw materials from external sources through two main channels:

(1) Factory-Gate Collection Points

The area in front of each of the Group's mills serves as a primary procurement point. The objective is to purchase raw materials from large-scale plantation farmers, third-party collecting yards, and smallholders who possess their own transportation or whose plantations are located in close proximity to the mills. Currently, the Group operates 4 factory-gate collection points, corresponding to its four production facilities.

(2) Purchasing Points

Purchasing points are external collecting yards established to provide convenience to small-scale farmers and third-party yards in the vicinity. These sellers can deliver FFB to the Group's designated points without having to transport the produce to the main mills themselves. The establishment of these points considers several factors, including the potential procurement area, local palm plantation density, proximity to other third-party yards, and the transportation distance back to the Group's mills. Before setting up a new point, the Group evaluates the expected purchase volume against transportation costs to assess the feasibility and potential of the area. Expanding these purchasing points enhances the Group's accessibility to sellers, aids in procurement planning, and ensures transportation costs remain at an optimal level. Currently, the Group operates 53 purchasing points across 7 provinces as follows:

- Surat Thani: 24 points
- Chumphon: 15 points
- Saraburi: 1 point
- Prachuap Khiri Khan: 1 point
- Krabi: 11 points
- Phang Nga: 1 point

Map of the Group's Fresh Fruit Bunch (FFB) Purchasing Points

2. Raw Material Suppliers

The suppliers of Fresh Fruit Bunches (FFB) to the Group can be classified into three primary groups as follows:

(1) General Farmers

General farmers refer to oil palm planters who own cultivation areas and sell fresh palm produce. Most palm farmers in Thailand are smallholders with limited plantation sizes, resulting in relatively small delivery volumes per transaction. These suppliers typically transport their produce to the Group's purchasing points or factory gates using personal pickup trucks or, in the case of larger plantations, commercial trucks.

(2) RSPO-Certified Farmers

RSPO-certified farmers are those who have joined sustainable palm oil groups and comply with the regulations and standards required for Roundtable on Sustainable Palm Oil (RSPO) certification. When these farmers sell their FFB to the Group, the produce is utilized to manufacture Certified Sustainable Palm Oil (CSPO) for further distribution to customers.

(3) Third-Party Palm Oil Collecting Yards (External Collecting Yards)

Third-party collecting yards operate as aggregators that purchase FFB from various farmers or other sources to resell to mills (a buy-and-sell business model). These yards operate independently and have the discretion to sell to any mill; the Group is one of several buyers in the region. However, in selling to the Group, these external yards must strictly adhere to the Group's procurement criteria and pricing structures.

By sourcing FFB from a diverse range of supplier groups, the Group enhances its raw material procurement capabilities and effectively reduces the bargaining power of any single supplier. To ensure that procurement targets align with production plans, the Group prioritizes maintaining continuous relationships with all supplier groups. Procurement officers regularly visit suppliers to discuss operational challenges and provide necessary advice or assistance. This proactive engagement ensures a consistent and reliable supply of raw materials to the Group's facilities.

For the years 2023, 2024, and 2025, the Group's FFB procurement volumes, categorized by supplier type, are as follows:

FFB Procurement Volume by Supplier Type	2023		2024		2025	
	Tons	Proportion	Tons	Proportion	Tons	Proportion
General Farmers	356,441	45.06%	406,806	48.79%	620,457	49.67%
RSPO-Certified Farmers	33,680	4.26%	31,189	3.74%	41,539	3.33%
Third-Party Collecting Yards	400,923	50.68%	395,866	47.47%	587,272	47.00%
Total Volume	791,044	100.00%	833,861	100.00%	1,249,268	100.00%

(1.3.2) Product Procurement

The Group's procurement of Crude Palm Oil (CPO) is conducted through two primary methods: internal production from the Group's own mills and purchasing from third-party CPO mills. The latter is strategically utilized when the Group requires large volumes of product to fulfill specific customer demands that exceed internal capacity. For the years 2023, 2024, and 2025, the product procurement ratios are as follows:

CPO Procurement Data	2023		2024		2025	
	Tons	Proportion	Tons	Proportion	Tons	Proportion
Produced by Group's Mills	148,184	95.39%	147,180	95.39%	222,836	95.43%
Purchased from Third-Party Mills	7,163	4.61%	7,119	4.61%	10,658	4.57%
Total Volume	155,347	100.00%	154,299	100.00%	233,494	100%

(1.3.3) Factors Affecting Raw Material Procurement

Fresh Fruit Bunches (FFB) are the most critical raw material, accounting for approximately 90% of the cost of goods sold, making it the most significant cost factor in the CPO production business. The volume of FFB in Thailand is subject to various factors, including annual rainfall, the age of palm trees, replanting cycles (replacing other crops or aging palms), and government support for palm cultivation.

In 2025, Thailand's CPO production reached approximately 3.85 million tons, an increase of 0.58 million tons from the previous year. This growth was driven by higher harvestable FFB yields resulting from favorable weather conditions, well-distributed rainfall, and an expansion of productive areas from crop conversion over the past 1–3 years. However, with approximately 124 active palm oil mills in Thailand as of 2025, the total industrial demand for FFB stands at approximately 28 million tons per year. Compared to the actual 2025 output of roughly 19.64 million tons, a supply gap of 8.36 million tons (approx. 30%) exists. This significant imbalance, where industrial demand far exceeds market supply, occasionally leads to intense competition for FFB among mills. This supply-demand disparity is a key factor limiting the global competitiveness of Thailand's palm oil industry.

To address this intense competition, the Group employs a strategic procurement approach by establishing a network of 53 purchasing points covering 6 provinces near its branch mills and neighboring areas. This extensive coverage allows the Group to reach a wider base of farmers, ensuring a stable supply and mitigating the risk of raw material shortages. In addition to expanding its reach, the Group prioritizes rigorous raw material quality selection to maintain a competitive Oil Extraction Rate (OER) within the industry.

(1.3.4) Product Transportation

The Group's primary products include Crude Palm Oil (CPO) and Dried Palm Kernels (PK), which require different transportation methods. As CPO is a liquid, it is transported via oil tanker trucks, whereas dried palm kernels, being solid, are transported using large heavy-duty trucks. The Group offers two sales delivery formats (1) Ex-mill Delivery: The buyer is responsible for arranging their own transportation to collect the products. (2) Destination Delivery: The Group assumes responsibility for transporting and delivering the products to the customer. Consequently, product transportation is managed by the Group only when customers purchase under destination delivery terms. Furthermore, the logistics for CPO differ between domestic and international customers, with details as follows:

1. **Domestic Customers**
   For domestic customers purchasing under destination delivery terms, a specific delivery point must be designated, which is often located in a different region from the Group's mills. To fulfill these requirements, the Group utilizes its own fleet of trucks for a portion of the deliveries, while the remainder is outsourced to third-party logistics providers. This hybrid approach balances internal fleet utilization with external services, especially when high-volume deliveries are required to meet customer deadlines. The Group prioritizes its internal fleet through strategic logistics planning; any capacity gaps are filled by external contractors selected based on a comparison of pricing, terms, and past performance quality.

2. **International Customers**
   For international customers, the Group's policy is to sell exclusively under Free on Board (FOB) terms at the port of origin. Once the customer confirms the vessel's berthing date, the Group coordinates the transport of CPO from the mill to the port using both its internal fleet and third-party contractors. The transportation process is considered complete once the CPO is loaded onto the oil tanker vessel at the designated port.

(1.4) Industry Outlook

Crude Palm Oil (CPO) is a critical global commodity, serving as a key raw material for various downstream industries, including vegetable oil, food, energy, and oleochemicals. It is an ingredient embedded in almost every household product and is increasingly utilized as a vital feedstock for the Green Industry as a sustainable alternative to fossil fuels. Although CPO is widely utilized, it faces competition from substitute goods such as sunflower oil, soybean oil, and rapeseed oil. Price fluctuations in these substitutes can significantly impact CPO prices, moving either in tandem or in opposition. Therefore, monitoring the prices of substitute oils is essential for forecasting global CPO price trends.

In 2025, the global CPO industry exhibited healthy growth, aligned with economic expansion and rising demand for clean energy. This was bolstered by recovering consumption in the food and tourism sectors within major consuming nations, namely Indonesia, India, and China. Consequently, average CPO prices in both the global and Thai markets rose slightly compared to the previous year. This price trend correlated with the increased cost of Fresh Fruit Bunches (FFB), the primary raw material accounting for approximately 90% of total production costs.In terms of supply, Thailand's CPO production increased in line with a higher volume of FFB entering the market. This surge was attributed to the onset of the "La Niña" phenomenon in 2025, which brought higher and more well-distributed rainfall than in previous years. Domestically, demand remained stable; consumption in the food industry grew steadily due to the tourism recovery, while CPO usage in the energy sector declined following changes in national energy policies. As a result, Thailand increased its CPO exports to maintain domestic stocks at balanced levels.

The price direction for CPO in 2026 hinges on several key factors. A major point of interest is Indonesia's energy policy; after transitioning from B35 to B40 biodiesel in early 2025 with an initial target of B50 by 2026, the Indonesian government recently delayed the B50 mandate. This delay was caused by technical concerns regarding the funding of the oil fund, which is supported by CPO export levies. While this announcement initially put downward pressure on global CPO prices, the expansion of biodiesel refineries in Indonesia—initiated in 2025 to support the B50 policy—means that additional production capacity is ready to come online. It is anticipated that Indonesia's domestic CPO consumption will still rise in 2026 despite the policy delay, leading to lower export volumes and causing CPO prices to remain stable or trend upward compared to the prior year.

Another significant factor is the consistent growth of palm oil imports by China, driven by its ongoing economic expansion and the demand for cost-effective products. Palm oil remains the most competitively priced vegetable oil on average. China is currently the world's third-largest palm oil consumer, primarily sourcing from Indonesia and Malaysia. Although Thailand's current market share in China is small, the Chinese government's policy to diversify its supply chain to mitigate dependency risks presents a strategic opportunity for Thai palm oil operators to increase export volumes to China.

Thailand remains the world's third-largest CPO producer. According to 2025 data (Source: USDA Foreign Agricultural Service), Thailand accounted for only 4.20% of global output, trailing significantly behind Indonesia (58.00%) and Malaysia (24.70%), the world's first and second-largest producers, respectively. Consequently, Thailand lacks the market power to dictate global CPO price directions. Beyond production volume, a critical challenge for Thailand's global competitiveness is production cost. Currently, Thailand's costs remain higher than those of Indonesia and Malaysia. Enhancing cost-control efficiency is therefore paramount for Thai producers to remain competitive in the global market.

[1] น้ำมันดีเซล B35 หมายถึง น้ำมันดีเซลที่มีส่วนผสมของน้ำมันไบโอดีเซล ร้อยละ 35 โดยปริมาณโดยตัวเลขหลัง B จะแสดงสัดส่วนของน้ำมันไบโอดีเซลที่ผสมอยู่

Global Industry Overview

The global crude palm oil (CPO) market in 2025 experienced price volatility during the first half of the year, driven by surging demand from energy policy mandates. This was compounded by a decline in global CPO stocks at the end of 2024, which pushed prices upward. Furthermore, policy shifts in Indonesia—the world's largest CPO consumer—including the transition from B35 to B40 biodiesel and the ambitious target to eliminate diesel imports by implementing B50 by 2026, alongside revised export tax structures, served as key catalysts sustaining high global CPO price levels.

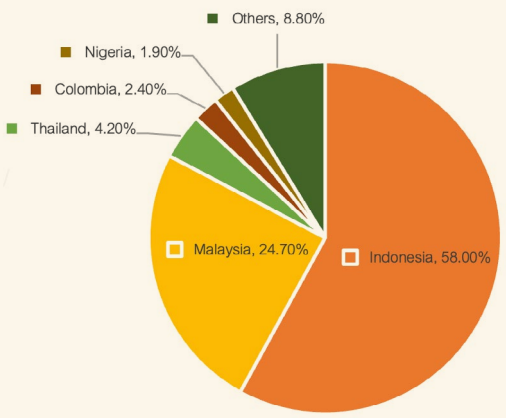
A significant turning point for the global CPO industry in 2026 is the enforcement of the European Union Deforestation Regulation (EUDR). This mandate requires the entire supply chain wishing to export to the EU to implement a robust Traceability system to verify the origin of produce. Failure to comply will result in a ban on product sales within the EU market. The impact of EUDR is far-reaching, affecting every stakeholder from oil palm farmers and collecting yards to CPO mills, refineries, and final consumer goods manufacturers. This remains a paramount challenge for the palm oil supply chain throughout 2026.

Supply Side Analysis

In 2025, global CPO production (Source: USDA Foreign Agricultural Service) reached 78.41 million tons, an increase of 2.32 million tons or 3.05% year-on-year. The market share of the top three producers was as follows: Indonesia at 58.00%, Malaysia at 24.70%, and Thailand at 4.27%. Compared to the previous year, Indonesia's share decreased by 0.47%, Malaysia's share increased by 0.56%, and Thailand's share decreased by 0.45%. It is important to note that these shifts in market share were not caused by a decline in actual output, but rather by varying growth rates in production across each country.

For 2026, global CPO production is forecasted to continue its upward trajectory, potentially reaching a new record high of 80.2 – 80.7 million tons, representing an approximate growth of 3% from the previous year. This optimistic outlook is attributed to favorable weather conditions and sufficient rainfall, which support oil palm growth across Southeast Asia.

Estimate Actual World Palm Oil Production in 2568



Country	%
Indonesia	58.00%
Malaysia	24.70%
Thailand	4.20%
Colombia	2.40%
Nigeria	1.90%
Others	8.80%
Total	100.00%

Source: USDA Foreign Agricultural Service (U.S. Department of Agriculture)

Demand Side Analysis

For the 2025 outlook, global consumption of crude palm oil (Source: USDA Foreign Agricultural Service) is projected at 79.85 million tons, an increase of 1.7 million tons or 2.17% compared to the previous year. The primary consuming nations remain consistent with prior years. The top three palm oil consumers are Indonesia at approximately 22.25 million tons, India at 9.60 million tons, and China at 7.55 million tons, respectively. Overall, there is a clear upward trend in palm oil consumption, particularly in Indonesia, where usage increased by 1.50 million tons or 7.23% year-on-year. This surge is driven by Indonesia's mandate to transition from B35 to B40 biodiesel, alongside its strategic goal to implement B50 biodiesel by 2026.

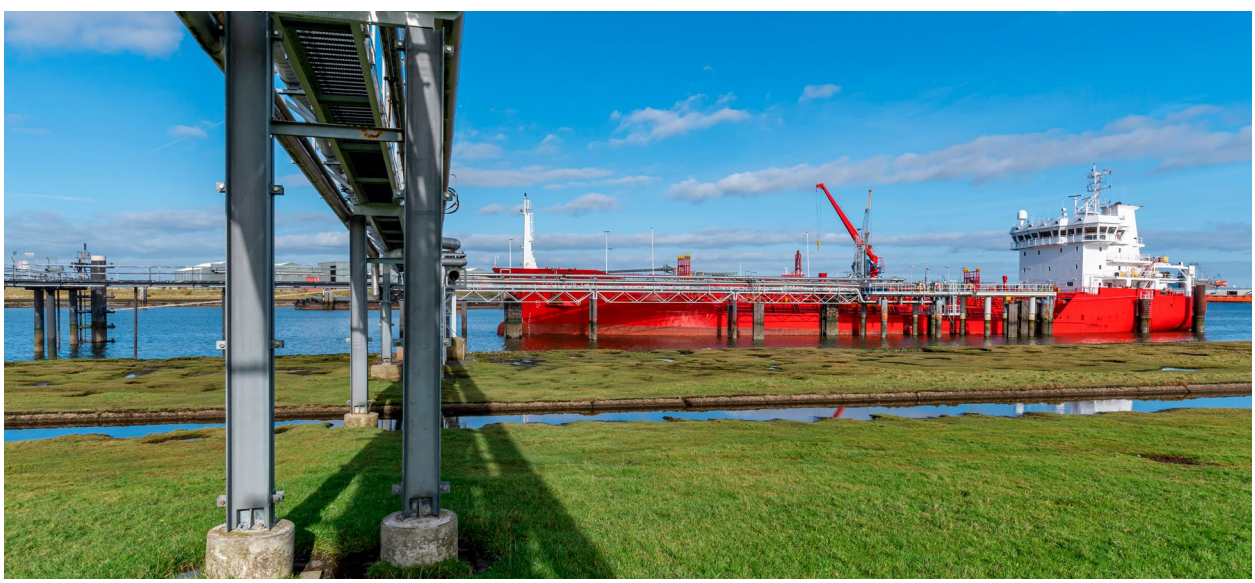
(Million Tons)

Consumption	2021	2022	2023	2024	2025E
Indonesia	15.82	17.50	19.10	20.75	22.25
India	8.20	8.45	9.03	9.35	9.60
China	6.85	6.20	7.10	7.30	7.55
US	5.95	5.70	8.45	5.10	4.90
Malaysia	3.65	3.80	3.95	4.10	4.20
Others	33.05	33.00	31.87	31.55	31.35
รวม	73.52	74.65	76.50	78.15	79.85

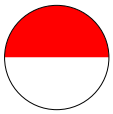
Sources: USDA Foreign Agricultural Service (U.S. Department of Agriculture)

International Trade

In 2025, the global crude palm oil (CPO) trade was dominated by key exporting nations: Indonesia, Malaysia, and Thailand, which held global export market shares of 52.00%, 31.1%, and 1.91%, respectively. On the demand side, the major CPO importing regions remained consistent, led by India, China, and the European Union, with import shares of 19.00%, 12.40%, and 10.60%, respectively. For the 2026 outlook, these export and import proportions are expected to remain relatively stable. However, a critical factor to monitor is Indonesia's energy policy regarding biodiesel mandates. Any further policy shifts in Indonesia could significantly alter the global distribution of CPO export shares.



The industrial outlook of nations that significantly influence global CPO price directions and volumes is detailed below:



Palm Oil Industry Outlook: Indonesia

Indonesia is the world's largest producer and consumer of CPO. Its internal consumption is approximately twice that of India, the world's second-largest consumer. Consequently, any Indonesian policy announcements related to CPO production or domestic utilization typically dictate global CPO price trends. Key statistics regarding Indonesia's palm oil sector are as follows:

(Unit: Million Tons)

Year	Energy Policy	Production	Domestic Consumption	Biodiesel-Specific Consumption	Exports
2021	B30	46.88	18.42	7.34	34.23
2022	B30	46.73	20.97	8.84	30.80
2023	implemented B35	50.07	23.13	10.65	32.21
2024	B35	48.70	24.50	11.80	29.50
2025[E]	B40 in use	49.50E	25.80E	13.10	28.90

Source: GAPKI Report, Indonesia

Based on the table above, Indonesia's CPO production in 2025 increased year-on-year due to favorable weather conditions boosting palm yields. Concurrently, domestic consumption rose, leading to a decline in CPO exports. This trend was a direct result of Indonesia's energy policy aimed at reducing dependence on foreign diesel imports. In 2025, the B40 biodiesel mandate was implemented with an initial target for B50 by 2026. However, the rapid policy shift initially outpaced the domestic biodiesel refining capacity, meaning that 2025 domestic consumption figures may not yet fully reflect the actual potential. In early 2026, the Indonesian government revised its policy by delaying the B50 mandate and maintaining the B40 requirement throughout the year, primarily due to technical concerns regarding the oil fund subsidies. While this delay had a short-term negative impact on global CPO prices, the expansion of biodiesel refineries initiated in 2025 has left several facilities ready to increase production. Consequently, Indonesia's domestic CPO consumption is forecasted to rise in 2026 despite the B50 delay. Furthermore, Indonesia's CPO export levies, used to fund domestic fuel subsidies, have reduced its price competitiveness. This creates a significant strategic opportunity for other exporters, particularly Thailand, to play a more prominent role in meeting global market demand.

Palm Oil Industry Outlook: India

India is the world's second-largest vegetable oil consumer after China. However, in terms of palm oil specifically, India ranks as the second-largest consumer globally—surpassing China (third) and trailing only Indonesia (the world's top producer and consumer). Palm oil consumption accounts for a significant 60% of India's total vegetable oil consumption. As domestic production remains insufficient to meet demand, India is the world's largest CPO importer. Demand in India shows a consistent upward trend driven by recovering domestic consumption following a 5-year low in imports, bolstered by the government's reduction in CPO import duties. Import figures are projected to rise by 13% – 20% in 2026, with India sourcing primarily from Indonesia, Malaysia, and Thailand.

From the perspective of Thai CPO producers, India is the most vital target market. India is the top global importer and ranks Thailand as its third-largest supplier, following Indonesia and Malaysia. For Thailand's export sector, India is the primary destination; in 2025, exports to India accounted for over 90% of Thailand's total CPO exports, underscoring the critical importance of the Indian market to the Thai palm oil industry. A key factor to monitor in

India is the government's National Mission on Edible Oils – Oil Palm (NMEO-OP), aimed at reducing import reliance. The mission targets expanding oil palm cultivation by an additional 650,000 hectares (bringing the total to 1 million hectares) and increasing domestic CPO production to 1.12 million tons by 2026. Although cultivation expanded significantly to 620,000 hectares by 2025, it has yet to reach the target. Furthermore, since oil palms require 4–5 years to reach maturity and yield fruit, domestic production capacity remains limited. Consequently, India is forecasted to increase its CPO imports in 2026, presenting a positive outlook for exporting nations, including Thailand.

Palm Oil Industry Outlook: China

China is the world's largest consumer of vegetable oils and the third-largest consumer of palm oil, accounting for approximately 7.55% of global crude palm oil (CPO) consumption (trailing only Indonesia and India). Palm oil represents about 18% of China's total domestic vegetable oil consumption. Currently, China's palm oil imports are on an upward trend, driven by continuous economic development. CPO serves as a primary industrial raw material in China due to its lower production cost compared to other vegetable oils and its versatility in processing. This aligns with the demands of Chinese consumers seeking value-for-money products without compromising quality. Furthermore, CPO is increasingly utilized as a substitute for fossil fuels, supporting China's national policy to transition toward cleaner energy sources.

Regarding trade policy, the Chinese government has implemented the "Dual Circulation" strategy, which aims to drive the economy through the synergy of domestic and international cycles. This policy focuses on increasing self-reliance, strengthening food security, and diversifying raw material import sources. This shift presents a significant opportunity for Thailand to increase its palm oil exports to China, a market currently dominated by Indonesia and Malaysia, which together account for over 90% of China's imports. Additionally, ongoing trade tensions between China and the United States may lead China to mitigate risks by reducing soybean imports and increasing palm oil imports as a substitute. Thailand holds a competitive advantage over its rivals in terms of product quality, international standards, and sustainability potential. Moreover, benefits under the Regional Comprehensive Economic Partnership (RCEP) and the ASEAN-China Free Trade Area (ACFTA) help reduce market entry costs. These factors underscore a strategic opportunity for Thai CPO operators to aggressively expand their presence in the Chinese market.

(Source: Trade Policy and Strategy Office, January 28, 2026)

Palm Oil Industry Outlook: Thailand

According to forecasts by the Office of Agricultural Economics (OAE), Thailand's productive oil palm area in 2025 is estimated at 6.44 million rai, an increase of 0.12 million rai or 1.90% from the previous year. Harvestable yield is projected at 19.64 million tons, a 5.88% year-on-year increase. The yield growth outpaces the expansion of plantation areas due to well-distributed rainfall from 2024 through 2025. This follows the El Niño phenomenon in 2023, which allowed oil palm trees to recover and become more fertile, resulting in higher bunch weights and oil extraction percentages.

Additionally, sustained high palm oil prices over the past 2–3 years, contrasted with the poor performance of rubber prices, prompted some farmers to replace rubber plantations with oil palm. This trend is expected to drive a continuous increase in productive areas through 2026. Coupled with favorable weather forecasts, FFB output in 2026 is projected to reach 19.90 million tons (Source: SCBEIC).

The Thai Palm Oil Supply Chain Overview

(1) Oil Palm Farmers (Upstream Industry)

As of 2025, there are approximately 410,000 households engaged in oil palm farming, a figure consistent with 2024. However, smallholders have shown a slight expansion in cultivation areas, bringing the total productive area to 6.44 million rai nationwide. Some large-scale planters have vertically integrated by investing in their own crude palm oil extraction mills.

(2) Crude Palm Oil (CPO) Mills (Midstream Industry)

In 2025, Thailand operated 124 CPO extraction mills (Source: Department of Internal Trade), with a combined processing capacity of approximately 28 million tons of FFB per year. Compared to the 2025 yield of 19.64 million tons, there is a capacity surplus of about 8.36 million tons (approx. 30%). Due to the seasonal nature of palm harvests—characterized by "peak" and "lean" periods (locally known as Paam Kard Kor)—mills operate at varying efficiencies. While capacity is fully utilized during peak seasons, it drops during lean periods, leading to an average annual capacity utilization rate of 50% – 60%. Major producers often expand into plantation and palm seedling businesses. Beyond primary products like CPO, CPKO, and palm kernels, by-products are utilized for other purposes: decanter cake for animal feed, and empty fruit bunches (EFB), fiber, and shells as biomass fuel.

(3) Refined Palm Oil Refineries (Midstream Industry)

As of 2025, there are 22 refineries in Thailand (Source: Department of Internal Trade), maintaining a stable count from the previous year. These refineries have a total processing capacity of 3.2 – 3.5 million tons of CPO per year, with an actual utilization rate of 60% – 70%, depending on domestic and international demand. Large players in this segment typically invest in other related businesses along the supply chain, such as CPO mills and vegetable oil production.

(4) Refined Palm Oil Processing (Downstream Industry)

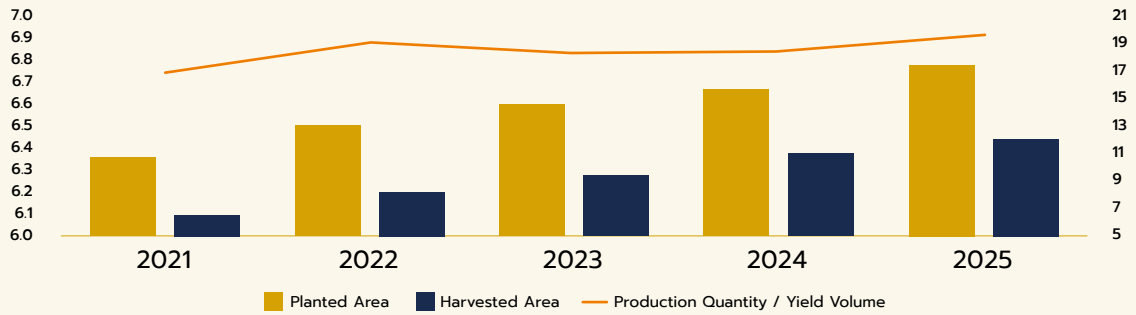
This involves processing refined palm oil through various methods, such as fractionation and chemical processes, to serve as raw materials for several industries:

- **Food Products:** Cooking oil, margarine, shortening, sweetened and unsweetened condensed milk.
- **Energy Sector:** Biodiesel (B100).
- **Consumer Goods:** Soap, shampoo, toothpaste, detergent.
- **Cosmetics:** Various beauty and personal care products.

Fresh Fruit Bunch (FFB) Production

Oil palm is a perennial crop that yields fruit year-round. Ripe FFB contains a high oil content within the mesocarp. The trees thrive in hot, humid climates with consistent rainfall; thus, the majority of Thailand's plantations are concentrated in the Southern region, which offers the most suitable climate and proximity to CPO mills. Based on OAE forecasts for 2025, Thailand has a total oil palm plantation area of 6.78 million rai, with 5.85 – 5.95 million rai (86% – 88%) located in the South. The growth rate of new plantation areas is slowing due to land reaching full potential and stabilizing rubber prices, which has slowed crop conversion. Current activities focus more on replanting aging palms. Productive areas currently account for 95% of the total plantation area, with the remainder expected to reach maturity in the following years. Typically, oil palm trees require 3 – 5 years after planting to begin yielding fruit.

Statistics of Oil Palm Planted Area, Harvested Area, and Production



Source: Office of Agricultural Economics (OAE)

Note: 2025E data are estimates provided by the Office of Agricultural Economics.

In 2025, harvestable palm yields are estimated at approximately 19.64 million tons, representing a 5.88% increase from the previous year. The primary factor driving this yield growth—which exceeds the rate of plantation area expansion—is the well-distributed rainfall recorded from 2024 through 2025. This favorable climate has enhanced the health of oil palm trees, leading to both higher bunch weights and improved oil extraction percentages. Furthermore, palm oil prices have remained sustained at high levels over the past 2–3 years, while rubber prices have faced a downward trend. This disparity prompted some farmers to replace rubber plantations with oil palms, a catalyst expected to drive continuous growth in productive areas through 2026. Coupled with favorable weather forecasts, FFB output in 2026 is projected to reach as high as 19.90 million tons. (Source: SCB Economic Intelligence Center - SCBEIC)

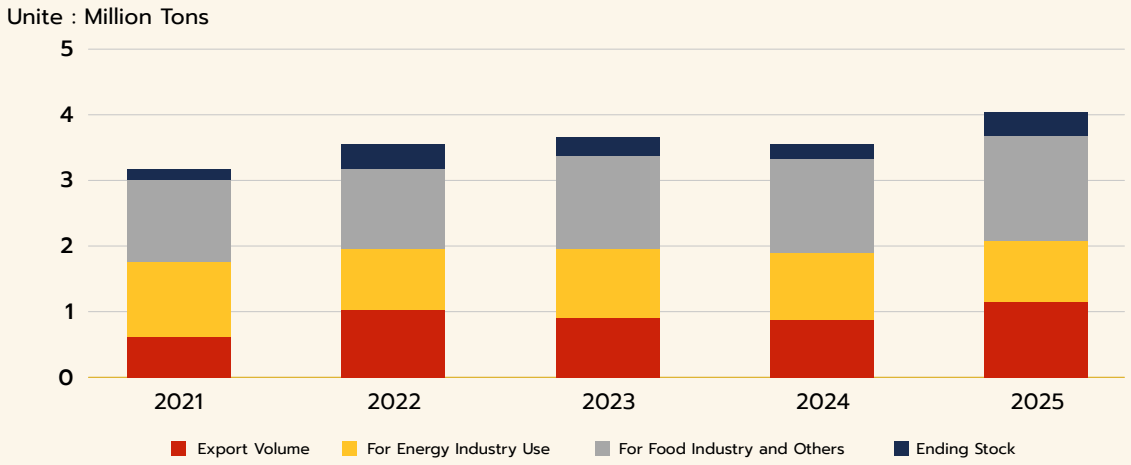
Thailand's Crude Palm Oil (CPO) Balance Sheet

Unit: Million Tons

	2020	2021	2022	2023	2024	2025E
Total CPO Production	2.65	2.96	3.38	3.33	3.27	3.85
Imports (CPO Equivalent)	<0.01	<0.01	<0.01	<0.01	<0.01	<0.01
Domestic Demand	2.53	2.38	2.17	2.48	2.49	2.47
– Consumption & Other Industries	1.16	1.24	1.25	1.45	1.43	1.61
– Biodiesel Production	1.36	1.15	0.92	1.03	1.05	0.86
Exports (CPO Equivalent)	0.24	0.62	1.03	0.91	0.87	1.23
Ending Stock	0.21	0.17	0.35	0.28	0.20	0.36

Source: Department of Internal Trade (DIT), Office of Agricultural Economics (OAE)

Diagram showing Thailand's Palm Oil Balance



Supply of Crude Palm Oil in Thailand

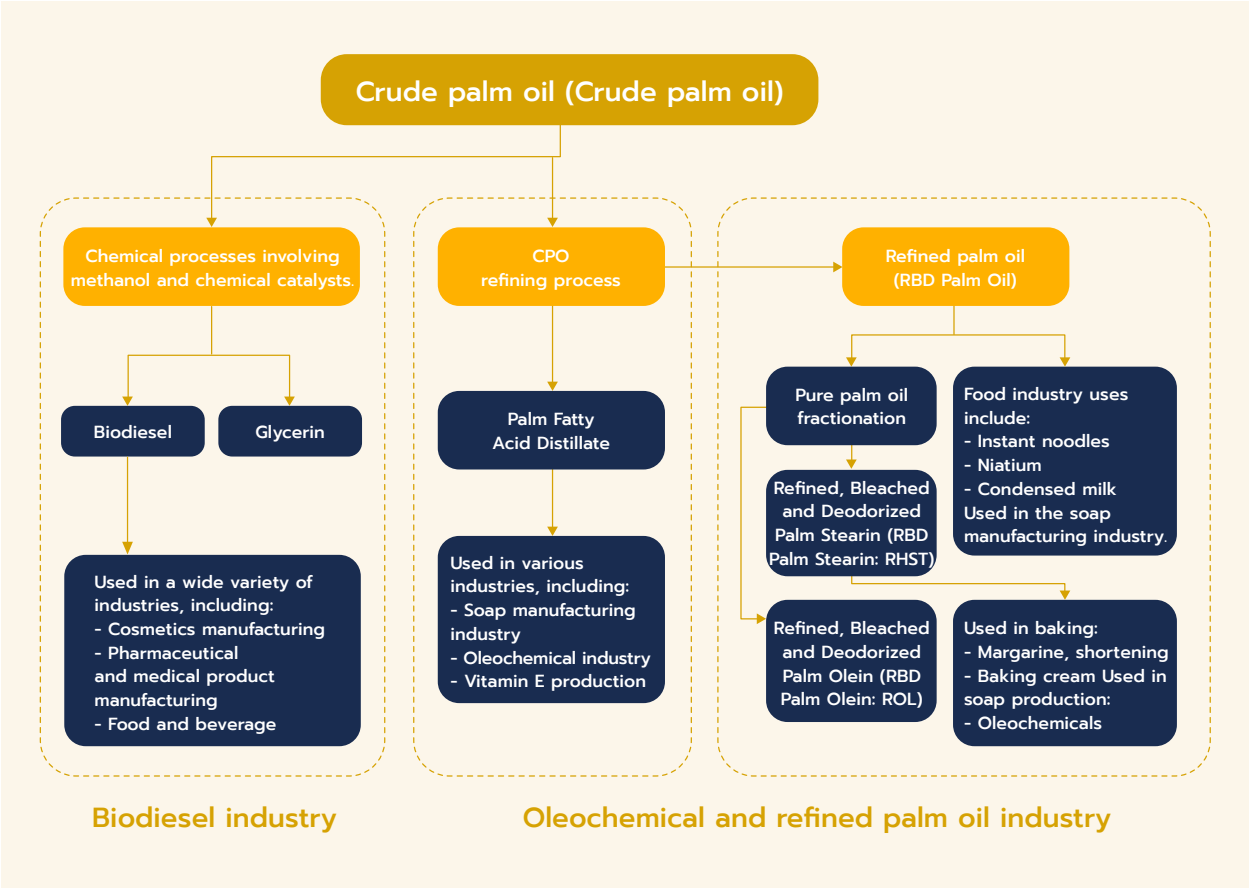
In 2025, Thailand's crude palm oil (CPO) production reached approximately 3.85 million tons, an increase of 0.58 million tons from the previous year. This growth was driven by higher harvestable Fresh Fruit Bunch (FFB) yields, primarily due to favorable weather conditions with well-distributed rainfall and an expansion of productive areas resulting from crop conversion over the past 1–3 years. Regarding raw material and product pricing in 2025, the average FFB price was approximately 6.66 Baht per kilogram, a slight increase year-on-year. This followed the same trajectory as CPO prices, which averaged approximately 36.50 Baht per kilogram. The average Oil Extraction Rate (OER) for 2025 was 18.23%, showing improvement over the prior year. The outlook for CPO production in 2026 remains positive with a continuous upward trend, supported by the forecasted increase in harvestable FFB from expanded productive areas and expectations of optimal rainfall continuing from 2025, ensuring healthy and fertile oil palm trees.

Demand of Crude Palm Oil in Thailand

In 2025, total CPO demand in Thailand was 2.47 million tons, a slight decrease compared to the previous year. Domestic CPO utilization is categorized into two main sectors: the Consumption and Other Industries sector and the Biodiesel Production sector. Historically, these two sectors utilized CPO at similar levels. However, in 2025, the Consumption and Other Industries sector's share increased to 65.18% of total CPO utilization, while the Biodiesel sector declined to 34.82%.

The Consumption and Other Industries sector performed well in 2025, driven by the expansion of the food industry and general consumption, bolstered by a strong recovery in the tourism sector. Additionally, the Oleochemical industry saw slight growth, particularly in the "Green Product" segment utilizing palm-based glycerine, with primary markets in Europe and the United States (focusing on RSPO-certified products). Conversely, the Biodiesel Production sector contracted due to energy policies implemented by the Energy Policy Administration Committee (EPAC). Since the growth in the food and consumption sectors closely offset the decline in biodiesel production, overall CPO utilization in Thailand saw only a marginal decrease year-on-year. For the 2026 outlook, domestic CPO demand is forecasted to increase from the previous year. This is expected to be driven by the continued recovery of the tourism sector, supporting the expansion of the food and consumption industries, while the biodiesel sector is projected to remain stable under current energy policies.

The detailed outlook for the various industrial sectors that utilize crude palm oil in Thailand for 2026 is as follows:



Refined Palm Oil Industry

The refined palm oil industry involves the process of purifying Crude Palm Oil (CPO) through a refining process to obtain Refined Bleached Deodorized (RBD) Palm Oil. This is further processed into Palm Olein for household cooking and used as a primary ingredient in various consumer products, such as:

1. Pharmaceuticals and Health Supplements: Used in the production of medicines, medical supplies, and health supplements, particularly Vitamin E.
2. Food Industry: Used in the production of snacks, sweetened condensed milk, instant noodles, animal feed, and general cooking oils.
3. Bakery Industry: Used as a key ingredient for margarine, shortening, bakery creams, evaporated milk, ice cream, and cookies.

For 2026, the refined palm oil industry is projected to grow, supported by the expansion of the Thai food industry and the tourism sector. A distinct factor this year is the uneven economic recovery, which has led consumers to prioritize “value-for-money” products—those that offer high quality at competitive prices. Consequently, palm oil remains a highly attractive alternative to other vegetable oils. Furthermore, the robust recovery in tourism is expected to drive increased palm oil consumption within the service and hospitality sectors.

Energy Industry

While all types of vegetable oils and animal fats can technically be used as raw materials for biodiesel, their production potential varies. The choice of feedstock depends on price suitability and local cultivation volumes. Different countries utilize different raw materials; for instance, Spain and France primarily use rapeseed and sunflower, Italy and the USA use soybean, and Malaysia uses oil palm. In Thailand, several oil crops can produce biodiesel, including oil palm, coconut, jatropha, soybean, sunflower, and sesame. Among these, oil palm consistently delivers the highest annual yield, the highest oil yield per rai, and the lowest production cost, making it the most viable feedstock for Thailand's biodiesel industry. Since biodiesel possesses properties similar to petroleum diesel, it is blended into diesel fuel to reduce reliance on crude oil imports.Thailand's commercial biodiesel blending program began in 2007, with initial mandates at 2%–3% (B2), subsequently increasing to B5 in 2011, B7 in 2014, and B10 in 2019. The government dynamically adjusts these blending ratios based on the domestic supply of palm oil at any given time to maintain market balance.

For 2026, the Energy Policy Administration Committee (EPAC) continues to employ a flexible policy to stabilize retail diesel prices, maintaining a ceiling of approximately 33 Baht per liter. This results in a lower blending ratio (B3 – B5) during periods of high palm oil prices. Conversely, the blending mandate is increased (B7) during periods of surplus harvest when palm oil prices are lower. Overall, the growth trajectory of Thailand's biodiesel industry is expected to remain stable, with utilization levels projected to be similar to the previous year.

Oleochemical Industry

The oleochemical industry involves processing plant or animal fats, such as palm oil and coconut oil, through chemical processes to produce basic chemicals or other derivatives used as ingredients in daily consumer goods. In the palm oil industry, both primary products and by-products can be further developed into various high-value products, for example:

1. Fatty Alcohols: Used in the production of detergents, shampoos, and soaps.
2. Fatty Acid Amides: Utilized in the textile, paper, plywood, metal, and rubber industries.
3. Fatty Amines: Used in textiles, plastics, candles, lubricants, and as antifungal/antibacterial agents.

For the 2026 outlook, the oleochemical industry is projected to grow continuously, driven by the global "Green Product" and "Bio-Economy" trends. However, the growth of Thailand's oleochemical sector faces certain limitations, primarily due to a traceability system that is not yet fully robust compared to international standards. Additionally, Thailand's CPO production costs remain higher than those of leading palm oil nations, which restricts its global competitiveness. Despite these challenges, the oleochemical industry remains a vital sector for adding significant value to products derived from the palm oil industry.

CPO Exports and Imports

Thailand is the world's third-largest producer of crude palm oil, accounting for approximately 4.20% of global production. Domestic utilization represents about 65% – 70% of total production capacity. Consequently, Thailand must export CPO to maintain a balanced domestic inventory. However, Thailand's export potential is constrained by cost factors, including the limited availability of suitable cultivation areas, labor costs, and the small-scale nature of individual farming plots. These factors result in higher production costs compared to global export leaders like Indonesia and Malaysia. Nevertheless, Thailand maintains certain competitive advantages, such as Seasonality, Currency Exchange Rates and Trade Policies. These factors allow Thailand to compete effectively in the global market and gradually increase its market share.

Furthermore, CPO is just one of several types of vegetable oils traded globally. Since most vegetable oils have similar properties and can partially—though not perfectly—substitute for one another, the pricing of other oils (such as soybean or sunflower oil) significantly impacts global CPO demand. In 2025, global vegetable oil prices were as follows:

Global Vegetable Oil Price Data (2025)

Unit: USD/Metric Tonn

Product / Month	1/2025	2/2025	3/2025	4/2025	5/2025	6/2025	7/2025	8/2025	9/2025	10/2025	11/2025	12/2025
Coconut Oil	1,978	1,990	2,356	2,483	2,767	2,699	2,841	2,742	2,597	2,547	2,439	2,323
Groundnut Oil	1,661	1,664	1,676	1,679	1,689	1,697	1,727	1,664	1,610	1,628	1,678	1,621
Palm Oil	1,070	1,067	1,068	994	908	935	976	1,026	1,036	1,038	983	980
Thai Palm Oil/1	1,082	1,063	1,014	967	891	873	883	917	954	974	995	1,032
Palm Kernel Oil	1,961	1,947	2,064	2,090	2,003	1,860	2,097	2,264	2,414	2,273	2,153	2,113
Soybean Oil	1,048	1,068	1,011	1,119	1,163	1,178	1,307	1,244	1,159	1,132	1,128	1,119
Rapeseed Oil	1,149	1,159	1,193	1,256	1,241	1,252	1,202	1,213	1,268	1,264	1,260	1,259
Sunflower Oil	1,207	1,220	1,232	1,225	1,208	1,196	1,214	1,274	1,312	1,363	1,360	1,343

Note: /1 Average Thai CPO price adjusted by the monthly average exchange rate.

In 2025, the average price of Crude Palm Oil (CPO) remained stable and consistent with the previous year. Data indicates that Thai CPO prices achieved global market competitiveness during specific periods, particularly between June and July. During these months, Thai products became highly attractive to international buyers, leading to the year's peak export volume. This was attributed to a combination of a weakening Thai Baht and the peak harvest season for Thai Fresh Fruit Bunches (FFB). Conversely, toward the end of the year, Thai CPO prices rose again as the Baht strengthened and the FFB harvest entered its seasonal low.

CPO imports into Thailand are strictly regulated by the government through the National Palm Oil Policy Committee (NPOPC). The NPOPC plays a vital role in supervising the industry to ensure stability and strength across the entire value chain. Its responsibilities include:

- Formulating policies and development plans for the oil palm industry.
- Allocating oil palm output for household consumption and industrial sectors.
- Controlling the importation of oil palm and palm oil from abroad.
- Implementing market interventions, such as purchasing FFB from farmers during price slumps or slowing utilization during high-price periods.

The NPOPC collaborates with key agencies, including the Ministry of Industry, the Ministry of Energy, and the Department of Internal Trade (Ministry of Commerce). In 2025, as domestic production exceeded internal demand, Thailand recorded virtually no CPO imports. This trend of self-sufficiency is expected to continue in the foreseeable future.

Key Challenges in the Palm Oil Industry

(1) 2026 marks the year the European Union—one of the world's major palm oil consumers—commenced the enforcement of the EUDR. This regulation mandates rigorous Traceability to ensure that products are sourced from environmentally responsible plantations that do not contribute to deforestation. Consequently, Thai oil palm farmers and producers must comply with these stringent requirements to maintain market access to the European Union.

(2) The increasing growth trend in Electric Vehicle (EV) adoption poses a potential impact on future biodiesel demand. The Thai Ministry of Energy has established a strategic target for EVs to account for 30% of total automotive production by 2030. It is further anticipated that by 2025, the price of EVs will reach parity with Internal Combustion Engine (ICE) vehicles. Additionally, the enforcement of Euro 5 fuel standards in 2024 and Euro 6 in 2025—which are European Union-aligned emission control regulations—strictly mandates that fuel-based vehicles must not exceed specific combustion and pollutant emission standards.

(3) Fluctuations in domestic Fresh Fruit Bunch (FFB) prices are driven by multiple factors, such as climate variability, rainfall patterns, and government policy interventions aimed at supporting farmers. These elements create volatility across the entire industry. Furthermore, a perennial challenge is the domestic raw material shortage; the total annual volume of FFB remains significantly lower than the combined processing demand of CPO extraction mills when calculated based on total national installed capacity.

(4) The industry faces heightened competition from substitute products, the entry of new market players, and capacity expansions by existing producers.

All the aforementioned factors directly and indirectly impact the Group's business of producing and distributing crude palm oil and related products. To mitigate these risks, the Group has designated responsible teams to monitor all situations closely. The Group's business plans are dynamically adjusted to remain consistent with prevailing economic and industrial conditions at any given time. This proactive management approach has enabled the Group to achieve continuous and sustainable growth in its performance.

(1.2.6) Competition

Competition within the crude palm oil (CPO) production and distribution industry is categorized into two primary aspects:

1. Competition for Raw Material Procurement

The primary raw material for the production of CPO and related products is Fresh Fruit Bunches (FFB). As of December 31, 2025, Thailand operates approximately 124 CPO extraction mills (Source: Department of Internal Trade, 2025), representing a total industrial demand of about 28 million tons of FFB. In contrast, Thailand's actual FFB output in 2025 was approximately 19.64 million tons. This supply-demand imbalance, where industrial demand significantly exceeds domestic production, occasionally results in intense price competition for raw materials. The Group, however, maintains a policy of avoiding aggressive price competition. Instead, the Group focuses on building and maintaining direct long-term relationships with farmers by expanding its network of Purchasing Points to remain in close proximity to suppliers. This strategy encompasses smallholders, medium-scale farmers, and large-scale plantations, as well as third-party collecting yards. Furthermore, the Group provides continuous training and knowledge-sharing sessions to farmers to help them reduce cultivation costs and improve yields. By engaging in various community activities, the Group fosters strong local ties, aligning with its mission to achieve corporate sustainability alongside social and community development.

2. Competition for Crude Palm Oil Distribution

Competition in the distribution of Crude Palm Oil (CPO) is characterized by a concentrated base of industrial customers who utilize CPO as a primary raw material for downstream production. Currently, there are approximately 124 CPO extraction mills in Thailand, consisting of both large-scale and small-scale operators. Major players in the industry typically pursue vertical integration by investing in palm plantations and seedling businesses, while extending their reach into downstream industries, such as refined palm oil refineries and other related chemical sectors.

The Group identifies its primary trade competitors as entities engaged in the production and distribution of CPO and related products within Thailand that possess production capacities comparable to those of the Group. The details of these competitors, based on available total production capacity data, are as follows:

Company	Total Production Capacity (Tons of FFB per Hour)
Univanich Palm Oil Public Company Limited (UVAN)	415
Suksomboon Palm Oil Group	355
S.P.O. Agro Industries Group	300
P. Panit Rungrueng Group	255
Smothong Group Public Company Limited (SMO)	240
Tha Chang Industry Group	225
Thai Tallow and Oil Group	150

Source: Group's Corporate Strategy Department, Company Websites, Annual Registration Statements / Annual Reports (Form 56-1 One Report), and Securities Offering Statements (Form 69-1).

(2) Biogas Power Generation and Distribution Business

Biogas power generation and distribution is another business segment of the Group, which is related to the crude palm oil production and distribution business and its related products. This process involves mixing water used in the production process with filter cake and fermenting it in biogas digesters to produce biogas. This biogas is then used as fuel for electricity generation to be sold to the Provincial Electricity Authority (PEA) under the Very Small Power Producer (VSSP) contract. Currently, the Group operates 3 biogas power plants, as follows:

Company	Location	Installed Capacity (MW)	Power Purchase Agreement (MW)
Smothong Group Public Company Limited	Khlong Cha-un, Phanom, Surat Thani	5.83	5.70
Mitprasong Green Power Co., Ltd.	Prasong, Tha Chana, Surat Thani	6.42	5.00
A.L. Palm Co., Ltd.	Thung Takrai, Thung Tako, Chumphon	2.13	2.00
	Total	14.38	12.70

The Group's renewable energy business manages waste under the concept of renewable energy that can be recovered or regenerated, aiming for Zero Waste in the production process. This creates a positive environment for the community and maximizes benefits for the Group by taking certain by-products and treated production wastewater with high Chemical Oxygen Demand (COD) and passing them through an anaerobic digestion process using microorganisms under optimal temperature and humidity. The resulting biogas is used as fuel for electricity generation under strict process control. The Group is certified with ISO 9001:2015 and Level 2 Green Industry standards.

The following section provides details on the revenue from biogas-based electricity sales and the capacity utilization rate for the electricity generation and distribution business for the years 2023, 2024, and 2025:

Revenue	2023		2024		2025	
	Million Baht	Proportion/1	Million Baht	Proportion/1	Million Baht	Proportion/1
Revenue from Biogas Power BusinessRevenue from Biogas Power BusinessRevenue from Biogas Power Business	130.98	2.22%	119.64	1.91%	166.15	1.67%

Note: /1 Comparison against the Group's total revenue.

For 2023, 2024, and 2025, the Group's production capacity, utilization, and sales volume are as follows:

Electricity Production Details	Unit	2023	2024	2025
Production Capacity/1	MW	12.25	14.38/2	14.38
Power Purchase Agreement (PPA)	MW	10.70	12.70/2	12.70
Electricity Generated	Million Units	33.41	35.17	50.04
Capacity Utilization Rate	%	34.43%	30.88%	43.94%
Electricity Sales Volume	Million Units	29.43	30.39	45.18
Average Selling Price	Baht/Unit	4.45	3.94	3.68

Notes: /1 The Group's electricity production capacity is calculated from total capacity multiplied by 330 production days per year (27.5 days/month) multiplied by 24 hours per day.

/2 Capacity increased because the Group acquired a 99.99% stake in A.L. Palm Co., Ltd. (AL), which includes a biogas power plant with a capacity of 2.13 MW and a 2.00 MW PPA.

Biogas Power Plant, Smothong Group Public Company Limited (Phanom Branch)

Biogas Power Plant, Mitprasong Green Power Company Limited

Biogas Power Plant, A.L. Palm Company Limited

Investment Promotion for Renewable Energy Business

The Company and its subsidiaries have been granted tax privileges by the Board of Investment (BOI) under the Investment Promotion Act B.E. 2520 (1977), subject to specified conditions. Further details regarding the investment promotion certificates can be found in Section 1, Item 4: Management Discussion and Analysis (MD&A), Clause 4.1.7: Income Tax Expense.

(2.2) Marketing and Competition

(2.2.1) Target Customer Groups

The Group has a single target customer for its biogas power generation and distribution business: the Provincial Electricity Authority (PEA), which is the government power off-taker. To sell electricity into the system, the seller must comply with the regulations set by the National Energy Policy Office (NEPO). Currently, the Group qualifies as a Very Small Power Producer (VSPP) of renewable energy (not exceeding 10 MW). The Group holds a total of 3 Power Purchase Agreements (PPAs) with the PEA, representing a total contracted capacity of 12.7 MW.

(2.2.2) Pricing Policy

As the Group sells electricity to the Provincial Electricity Authority (PEA), it must comply with the Regulations for the Purchase of Power from Very Small Power Producers (VSPP) for renewable energy. The purchase price must be determined in accordance with said regulations, with the primary pricing principles as follows:

(1) 1. The rate for electricity energy that the Distribution Authority (MEA or PEA) sells to the VSPP equals the retail energy rate according to the retail tariff structure based on the VSPP's electricity usage category, plus the automatic tariff adjustment (Ft retail) for that month. For other electricity charges besides the energy rate, the VSPP remains responsible for payments according to their specific usage category.

(2) VSPPs with a sale volume not exceeding 6 MW: The Distribution Authority divides the monthly power purchase into two parts:

  (2.1) If the volume sold by the VSPP is less than or equal to the volume sold by the Distribution Authority to the VSPP in that month, the purchase rate equals the retail energy rate (or average retail energy rate) charged to that VSPP in that month, plus the Ft retail.

  (2.2) If the volume sold by the VSPP exceeds the volume sold by the Distribution Authority to the VSPP in that month, the portion equal to the VSPP's consumption is priced as per item (2.1). For the excess portion, the purchase price is determined based on two cases:

    (2.2.1) Normal Rate Users: The rate equals the average wholesale electricity rate at all voltage levels sold by the Electricity Generating Authority of Thailand (EGAT) to the Distribution Authority, plus the average wholesale Ft.

    (2.2.2) Time of Use (TOU) Rate Users: The rate equals the wholesale energy rate at the 11–33 kV voltage level sold by EGAT to the Distribution Authority, plus the average wholesale Ft.

(3) VSPPs with a sale volume exceeding 6 MW: The Distribution Authority purchases electricity at the following rates:

  (3.1) Normal Rate Users: The rate equals the average wholesale electricity rate at all voltage levels sold by EGAT to the Distribution Authority, plus the average wholesale Ft.

  (3.2) TOU Rate Users: The rate equals the wholesale energy rate at the 11–33 kV voltage level sold by EGAT to the Distribution Authority, plus the average wholesale Ft.

(4) For VSPPs with a contracted sale capacity exceeding 1 MW at the point of purchase, the energy volume calculated in items (2.2.1), (2.2.2), and (3) will be deducted by 2% of the excess energy volume as a management fee for the VSPP power purchase project.

5.) Should a VSPP require backup power from the Authority, the procedures and rates shall comply with the Authority's announcement regarding Backup Power.

In this regard, the Electricity Generating Authority of Thailand (EGAT) shall notify the Distribution Authority (MEA or PEA) of the average wholesale electricity rates at all voltage levels and the average wholesale automatic tariff adjustment (Average Wholesale Ft) within 5 business days of submitting the monthly electricity invoice to the Distribution Authority. Subsequently, the Distribution Authority will notify the Very Small Power Producer (VSPP) of the power purchase details, including the average retail energy rate, wholesale price, or average wholesale price, as well as the units of electricity purchased and sold for that month. This information allows the VSPP to issue an invoice and a receipt or a receipt/tax invoice to the Distribution Authority accordingly.

(2.2.3) Sales and Distribution Channels

The Group produces and distributes electricity exclusively to the Provincial Electricity Authority (PEA) through Power Purchase Agreements (PPA) via grid synchronization with the PEA system.

(2.2.4) Public Relations and Advertising

Since the Group's electricity distribution is categorized as B2G (Business to Government), no commercial advertising is conducted. Public relations efforts are focused specifically on the utilization of renewable energy through joint projects with the Provincial Electricity Authority (PEA), which is a state enterprise.

(2.2.5) Industry Outlook for Biogas Power Generation and Distribution

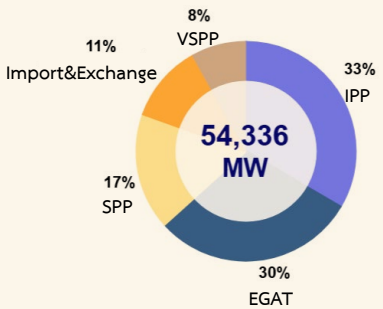
Thailand's energy industry in 2025 is entering a critical phase of full-scale transition toward clean energy. The government remains the primary driver in shaping the energy structure through the Draft Power Development Plan (PDP 2024) and the Alternative Energy Development Plan (AEDP 2024). These plans aim to increase the proportion of renewable energy in electricity generation to over 50% by 2037. This aligns with Thailand's commitments at the UNFCCC Conference of the Parties (COP), where the nation accelerated its goals to achieve Carbon Neutrality by 2050 and Net Zero Emissions by 2065. Consequently, Biogas—as a highly stable clean energy source (Base Load)—has gained importance as a strategic fuel that enhances energy security while supporting environmental stewardship under the Circular Economy framework.

The industry direction in 2025 continues to benefit from positive factors, specifically the expansion of the Feed-in Tariff (FiT) Phase 2 project with a capacity of 3,668.5 MW, covering biogas from wastewater and waste. This includes short-term support measures for purchasing supplemental renewable energy under Non-Firm contracts to reduce the burden of importing price-volatile fossil fuels. Furthermore, the launch of the Utility Green Tariff (UGT) structure and the Direct PPA pilot project present significant opportunities for biogas power producers to create value-added revenue by selling Renewable Energy Certificates (RECs) to export industries. These industries must adapt to the European Union's Carbon Border Adjustment Mechanism (CBAM), which will come into full effect in 2026. These factors ensure that the biogas power business is not merely about energy security, but is the heart of driving a Green Supply Chain and creating sustainable growth opportunities under international ESG standards.

Electricity Power Industry

As for Thailand's electricity industry structure, it operates under an Enhanced Single Buyer Model (ESB), with the Electricity Generating Authority of Thailand (EGAT) serving as the primary entity. EGAT acts as the procurer, generator, and sole off-taker of electricity from both private power producers and neighboring countries. The distribution of electricity is managed by two state enterprises: the Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA). These agencies hold distinct geographical responsibilities, where the MEA is responsible specifically for Bangkok, Samut Prakan, and Nonthaburi, while the remaining areas throughout Thailand are under the responsibility of the PEA. Furthermore, both the MEA and PEA have the authority to purchase electricity directly from Very Small Power Producers (VSPPs) without transacting through EGAT.

Proportion of Electricity Procurement: Contracted Capacity

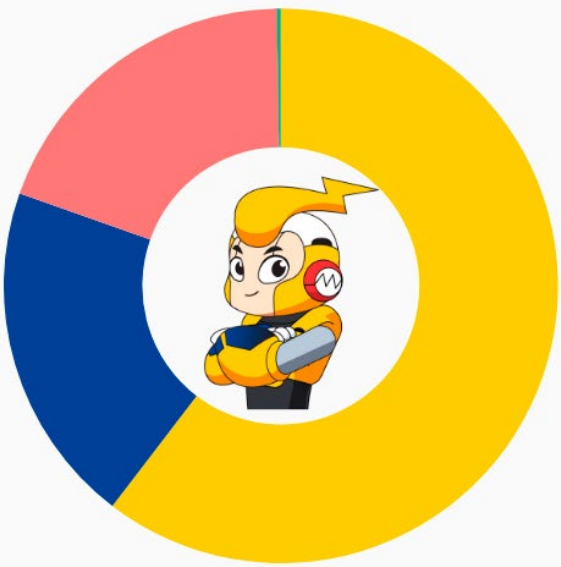


Power Producer	Capacity (MW)	Proportion (%)
EGAT	16,235	30%
IPP	18,159	33%
SPP	9,334	17%
VSPP	4,374	8%
Import & Exchange	6,235	11%

Source: Information Technology and Communication Center,
Energy Policy and Planning Office (EPPO); Data as of December 2025.

Fuel Mix for Electricity Generation in the EGAT System

(Unit: GWh = Million Kilowatt-hours)



Natural Gas : 60.40%
18,759.22 GWh

Coal : 20.00%
6,211.54 GWh

Renewable Energy : 19.33%
6,002.51 GWh

Diesel : 0.01%
4.07 GWh

Fuel Oil : 0.03%
8.80 GWh

Others : 0.23%
70.32 GWh

Data as of: February 28, 2025, Total Generation (Accumulated): 31,056.46 GWh, Source:
Electricity Generating Authority of Thailand (EGAT)

Fuel Type	Quantity (Million kWh)	Percentage (%)
Natural Gas	18,759.22	60.40
Coal (Lignite)	6,211.54	20.00
Renewable Energy (Hydro, Others)	6,002.51	19.33
Diesel Oil	4.07	0.01
Fuel Oil	8.80	0.03
Others (Laos, Malaysia, Lam Takhong Jolabha Vadhana)	70.32	0.23
Total	31,056.46	100.00

Source: Corporate Media Management Division, Corporate Communications and Public Relations Department (EGAT)

Private power producers in Thailand are categorized into 3 types as follows:
1) Independent Power Producer (IPP): Power producers with a grid sale volume per project exceeding 90 MW.
2) Small Power Producer (SPP): Power producers with a grid sale volume per project ranging from 10 to 90 MW.
3) Very Small Power Producer (VSPP): Power producers with a grid sale volume per project not exceeding 10 MW.

The private sector power generation business shows a trend of significant growth during 2025–2027. This is primarily supported by expanding domestic electricity demand following the economic recovery, especially the influx of foreign high-tech manufacturing bases such as Data Centers and semiconductor factories, which require electricity 10–50 times higher than general business sectors. To support such demand, Thailand has driven its Power Development Plan (PDP) supervised by the Energy Policy and Planning Office (EPPO) under the Ministry of Energy. In 2025, the Thailand Power Development Plan B.E. 2567–2580 (PDP 2024) was officially promulgated to replace the previous plan (PDP 2018 Revision 1). This new plan's main objective is a full Energy Transition to clean energy, setting a target for renewable energy electricity production to exceed 50% by 2037 to move toward the Carbon Neutrality goal.

The implementation of the PDP 2024 directly impacts the expansion of investment in new power plants, particularly renewable energy power purchase projects under the Feed-in Tariff (FiT) model and the pilot testing of the Direct PPA (Free Trade of Electricity). These represent significant opportunities for the private sector to participate in the national power grid system while also helping to reduce carbon dioxide emissions from power generation in accordance with international sustainability standards.

Electricity Procurement from the Private Sector

In 2025, Thailand's energy industry reached a major turning point under the Energy Transition trend. The core driver is the New Power Development Plan (PDP 2024), which aims to increase the proportion of renewable energy to over 50% by 2037 to achieve Carbon Neutrality. This aligns with the resolution of the National Energy Policy Council (NEPC), which approved an additional green power procurement phase (Phase 2) totaling 3,668.5 MW. This phase continues to allocate quotas for Biogas (Wastewater/Waste) under the Feed-in Tariff (FiT) pricing mechanism, which helps ensure cash flow stability and secure long-term returns for private operators.

The business opportunities for biogas stand out compared to other renewable energies due to the Circular Economy model, which can transform "environmental liabilities" into "profitable assets" through the management of upstream industrial and agricultural waste. This helps reduce environmental management costs while creating Multi-Revenue Streams from both electricity sales and Carbon Credits. Since methane gas has a high global warming potential, capturing it for electricity generation creates immense value-added. Furthermore, there is a positive trend from the pilot testing of the Direct PPA (Free Trade of Electricity), which will allow biogas producers to sell electricity and Renewable Energy Certificates (RECs) directly to RE100 industrial groups.

Looking toward the future, the biogas business is moving toward Decentralized Power systems and the development of Hybrid Systems, such as integrating floating solar systems to increase production efficiency per area. This addresses both Energy Security and the reduction of greenhouse gas emissions according to international ESG standards. Operating in this direction not only aligns with government support policies but is also a key factor in accessing Green Finance and creating sustainability through a truly eco-friendly business model.

(2.2.6) Competition

The Group is committed to efficient power generation and consistent electricity distribution, building strong confidence with its sole customer, the Provincial Electricity Authority (PEA). The Group generates and supplies electricity in strict accordance with the terms of its Power Purchase Agreements (PPA). Significant importance is placed on regular, planned maintenance of the power plants to ensure that the gas engine generators remain in optimal condition for continuous production.

However, besides using biogas as fuel for electricity generation, biogas can also serve as a complete substitute for natural gas due to its similar properties, with methane being the primary component. This includes Compressed Bio-Methane Gas (CBG), used as a substitute for Compressed Natural Gas (CNG), and Liquefied Bio-Methane Gas (LBM)—produced by cooling biogas to approximately -160°C for convenience in storage and transportation—used as a substitute for Liquefied Natural Gas (LNG).

(2.3) Procurement of Products and Services

(2.3.1) Production Plants and Capacity

The Group operates a total of three biogas power plants, with two located in Surat Thani Province and one in Chumphon Province, with the following details:

1. Biogas Power Plant of Smothong Group Public Company Limited (Phanom Branch): Located in Khlong Chaun Subdistrict, Phanom District, Surat Thani Province (situated in the same area as the Company's Crude Palm Oil Mill, Phanom Branch). It has an installed capacity of 5.83 MW per hour.
2. Biogas Power Plant of Mitprasong Green Power Company Limited: Located in Prasong Subdistrict, Tha Chana District, Surat Thani Province (situated adjacent to the Company's Crude Palm Oil Mill, Tha Chana Branch). It has an installed capacity of 6.42 MW per hour.
3. Biogas Power Plant of A.L. Palm Company Limited: Located in Thung Takrai Subdistrict, Thung Tako District, Chumphon Province (situated adjacent to the Crude Palm Oil Mill of A.L. Palm Company Limited). It has an installed capacity of 2.13 MW per hour.

The consolidated production data of the Company for the years 2023, 2024, and 2025 are as follows:

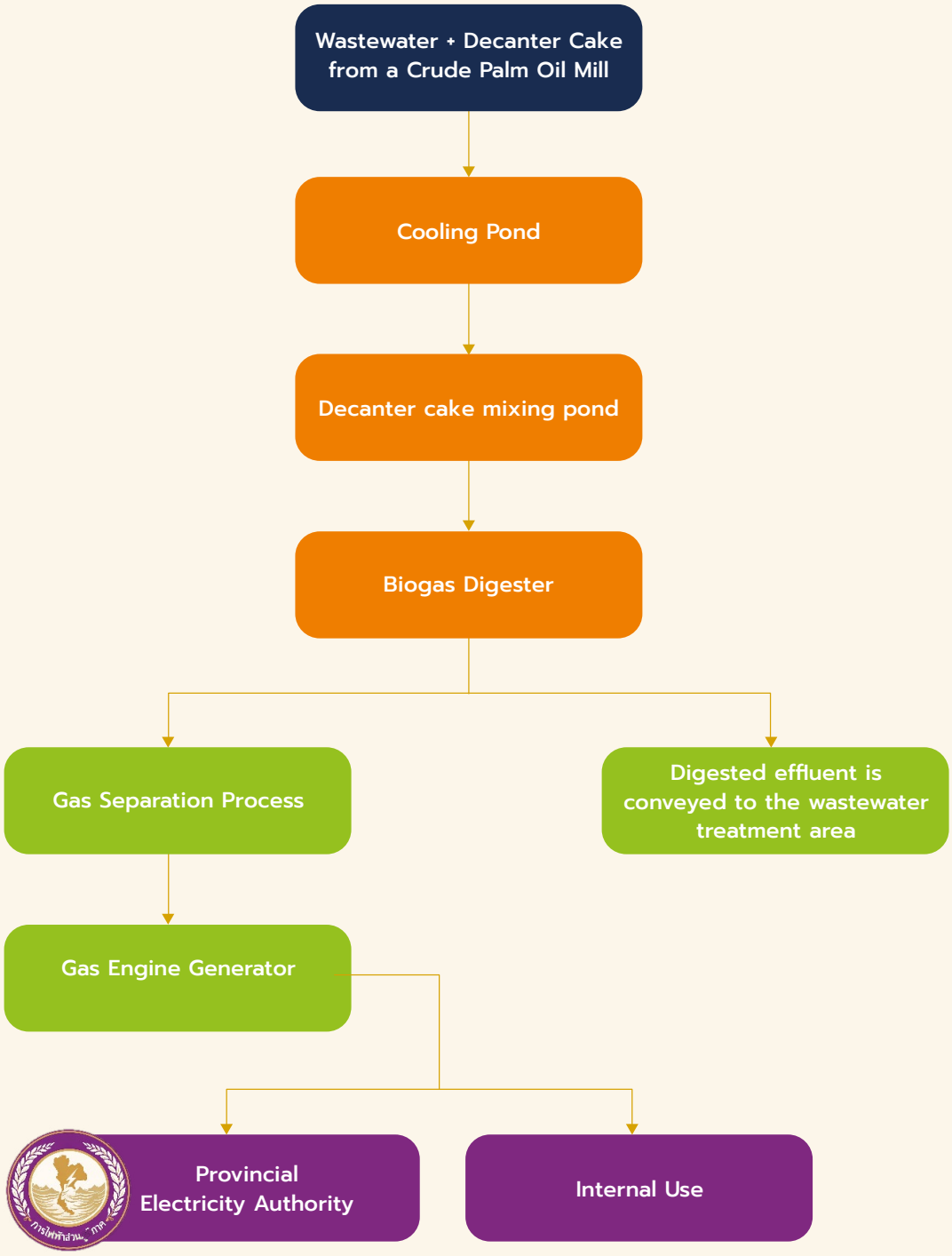
Electricity Production Details	Unit	2023	2024	2025
Production Capacity/1	MW	12.25	14.38/2	14.38
Electricity Generated	Million Units	33.41	35.17	50.04
Capacity Utilization Rate	%	34.43%	30.88%	43.94%

Notes: /1 The Group's electricity production capacity is calculated from the total capacity of the Group multiplied by the number of production days, which is 330 days per year (equivalent to 27.5 days per month) and multiplied by 24 hours per day.

/2 Production capacity increased because the Group acquired a 99.99% stake in A.L. Palm Company Limited ("AL"). The acquisition of AL included a biogas power plant with a production capacity of 2.13 MW and a Power Purchase Agreement (PPA) of 2.00 MW.

The biogas power generation process begins with conveying wastewater from the production process and certain by-products from the palm oil mill through temperature-reduction pipes, as the process water has a high initial temperature. After the temperature is reduced, the water is held in a Cooling Pond to achieve an appropriate temperature and to perform preliminary water management by separating water from solids such as gravel, sand, and various solid contaminants. During this process, certain by-products are mixed in appropriate proportions and agitated to ensure dispersion before being sent to the Biogas Digester. Biogas is produced through the Anaerobic Digestion of organic matter. During the fermentation process, water must be circulated to help create optimal conditions for microbial decomposition. Meanwhile, water samples are collected and sent to the laboratory to analyze the water quality in the digester and ensure it is suitable for bacterial activity by controlling various parameters to match the requirements of each type of bacteria, ensuring the production of high-quality biogas sufficient for electricity generation. After the fermentation process, the remaining effluent is drained from the biogas digester into an Effluent Pond and subsequently conveyed to a holding pond. The gas obtained from fermentation consists of a mixture of Hydrogen Sulfide (H2S), Carbon Dioxide (CO2), and Methane (CH4). The next step involves removing the Hydrogen Sulfide (rotten egg gas) from the gas mixture. Afterward, the gas is conveyed to a Cyclone to separate water using centrifugal force and a Gas Chiller to reduce humidity, resulting in dry biogas ready for use in the power generation process. The produced biogas is then fed into a Gas Engine Generator. Since the generated electricity is low voltage, the voltage must be stepped up to match the level agreed upon with the Provincial Electricity Authority (33,000 Volts), also known as high-voltage electricity, before being dispatched to the Provincial Electricity Authority's transmission grid.

Brief Summary of the Biogas Power Generation Process



The details of the biogas power generation process are as follows:

Receiving Process Water and By-products The generation of electricity from biogas begins with receiving wastewater from the production process. This water is mixed with filter cake, a by-product of the crude palm oil extraction process. The water is conveyed through a cooling tower to reduce its high temperature from the production line before being sent to the cooling pond.

Cooling Pond and By-product Mixing Once the temperature is lowered, the water is held in a cooling pond to separate the water from suspended solids such as gravel and sand. Specific palm oil production by-products are added to increase the organic matter content. The mixture is agitated to ensure thorough dispersion before being sent to the biogas digester.

Conveying Ready-to-use Water After the water is properly prepared and stabilized, it is conveyed directly into the biogas digester.

Fermentation via Anaerobic Digestion to Produce Biogas. Once the water enters the digester, biogas is produced through Anaerobic Digestion (the decomposition of organic matter in the absence of oxygen). During fermentation, water must be circulated to create optimal conditions for microbial activity. Samples are regularly sent to the LAB to analyze water quality and ensure parameters remain suitable for various types of bacteria. The resulting biogas typically consists of 50–70% Methane (CH4) and 30–40% Carbon Dioxide (CO2), with the remainder being gases such as Hydrogen, Oxygen, Hydrogen Sulfide, Nitrogen, and water vapor. After fermentation, the treated water—now with a significantly reduced COD level (cleaner)—is sent to the Effluent Pond for further holding.

Conveying Biogas for Hydrogen Sulfide Removal The raw biogas is conveyed to a Bio Scrubber to remove Hydrogen Sulfide (H2S). This colorless gas has a characteristic “rotten egg” smell and is heavier than air. It cannot be used directly in engine combustion because it is highly corrosive; therefore, it must be eliminated before further use.

Biogas Cyclone for Water Separation After removing the Hydrogen Sulfide, the biogas is sent to a Cyclone to separate liquid water from the gas using centrifugal force.

Biogas Dehumidification The separated gas is then sent to a Gas Chiller (dehumidifier). Because certain gases can form corrosive acids when combined with water, which can damage materials and equipment, moisture must be extracted to produce “dry” biogas suitable for combustion.

[1] COD (Chemical Oxygen Demand) หมายถึง ค่าที่บอกคุณภาพของน้ำ ซึ่งถึงแสดงความสกปรกของน้ำ ซึ่งแสดงเป็นออกซิไดซิงเอเจนต์ ที่สามารถออกซิไดส์สารอินทรีย์ที่อยู่ในน้ำ แล้ววัดปริมาณออกซิเจนที่ใช้เพื่อการออกซิไดส์สารอินทรีย์นั้น ให้เป็นคาร์บอนไดออกไซด์และน้ำในสภาวะที่เป็นกรดเข้มข้นและมีอุณหภูมิสูง น้ำที่มีค่า COD สูงแสดงว่ามีการปนเปื้อนด้วยสารอินทรีย์สูง หรือสกปรกสูง

Electricity Generation via Gas Engine Once the biogas has been stripped of Hydrogen Sulfide and water vapor, its pressure is increased before it is fed into the Gas Engine Generator to produce electricity.

Voltage Adjustment and Grid Synchronization for Sale to PEA The electricity produced by the generator is initially low-voltage. It must be transformed into high-voltage electricity before being synchronized with the Provincial Electricity Authority (PEA) grid for sale. A portion of the generated electricity is also reserved for internal use within the Group's factories.

Production Standards and Certifications Received by the Company

The Group's biogas power plants have been certified with international quality, production, and specialized standards, as detailed below:

Certifications and Standards	Certified Entity	Certified By	Issue Date	Expiry Date
1. ISO 9001:2015 An international standard for Quality Management Systems (QMS). It encompasses the company's essential processes, taking into account inputs and outputs, monitoring, measurement, and performance indicators for various operations.	MGP	Bureau Veritas Certification Holding SAS - UK Branch	Mar 24, 2023	Mar 24, 2026
2. Carbon Footprint for Organization (CFO) The total amount of greenhouse gases emitted from organizational activities, such as fuel combustion, electricity usage, waste management, and transportation, measured in tonnes of carbon dioxide equivalent (tCO2e)	MGP	Thailand Greenhouse Gas Management Organization (TGO)	24 ก.ค 2568	Note: The Certificate does not specify an expiration date but is subject to renewal/ recertification in the next assessment cycle.

(2.3.2) Raw Material Sourcing

The biogas used for power generation in the biogas engine generators is produced through Anaerobic Digestion. This biological decomposition of organic matter in the absence of oxygen generates biogas as a byproduct. The primary raw materials used are wastewater from the crude palm oil production process and filter cake, which is also a byproduct of the same process. All such raw materials are sourced entirely from the Group's own crude palm oil mills.

(2.3.3) Product Transportation

The Group's biogas power generation and distribution business has only one customer: the Provincial Electricity Authority (PEA), a state enterprise. Electricity is delivered via grid synchronization with the PEA's electrical system. Before synchronization, the Company must step up the voltage to meet the specific requirements defined by the PEA.

1.3 Research and Development

-None-

1.4 Assets Used in Business Operations

The Group's assets used in business operations consist of: 1. Property, Plant, and Equipment; 2. Investment Properties; 3. Right-of-Use Assets; and 4. Intangible Assets. The majority of these operational assets are categorized under Property, Plant, and Equipment, specifically buildings, building improvements, and production machinery. The details are as follows:

Items	Net Book Value as of December 31, 2025 (Million Baht)
1. Property, Plant, and Equipment	2,179.49
2. Investment Properties	159.00
3. Right-of-Use Assets	146.19
4. Intangible Assets	103.80
Total Net Book Value	2,588.48

In this regard, detailed information on assets used in business operations, including lease agreements, financial institution loan agreements, and other significant details, can be further studied in Attachment 4: Assets Used in Business Operations of the Company and its Subsidiaries.

1.3 Shareholding Structure of the Group

1.3.1 Shareholding Structure of the Group

The shareholding proportions of the Group as of December 31, 2025, are as follows:

Further information regarding the general details of the subsidiaries can be found in Section 5.1.2: Information on Legal Entities in which the Company holds a direct stake of 10% or more of the total number of paid-up shares.

1.3.2 Persons with potential conflicts of interest holding more than 10% of the total voting shares in subsidiaries or associate companies

- None -

1.3.3 Relationship with the business group of major shareholders

- None -

1.3.4 Shareholders

The list of the top 10 major shareholders and their respective shareholding proportions in the Company as of November 26, 2025, is as follows:

Rank	Shareholder Name	Number of Shares (Shares)	Shareholding Proportion (%)
1	Kittipong's Family [1]	190,611,200	20.72%
	- *Mr.Kittipong Puangmala*	76,448,500	8.31%
	- *Mr.Sawai Puangmala*	76,551,100	8.32%
	- *Miss Kannika Jaroenpattanawong*	22,531,600	2.45%
	- *Mr. Krittaphat Puangmala*	5,000,000	0.54%
	- *Miss Areeya Puangmala*	5,000,000	0.54%
	- *Miss Korawan Puangmala*	5,080,000	0.55%
2	Seksak's Family [2]	174,754,300	19.00%
	- *Mr. Seksak Piriyetyanggoon*	29,840,900	3.24%

Rank	Shareholder Name	Number of Shares (Shares)	Shareholding Proportion (%)
	- *Master Harit Piriyetyanggoon*	96,399,200	10.48%
	- *Miss Nalinyaphat Piriyetyanggoon*	13,765,500	1.50%
	- *Miss Nansaphak Piriyetyanggoon*	12,000,000	1.30%
	- *Miss Phatthaphak Piriyetyanggoon*	12,000,000	1.30%
	- *Mr. Chakkra Phiriyesyangkun*	8,300,500	0.90%
	- *Mrs. Chuenrudee Phiriyesyangkoon*	1,000,000	0.11%
	- *Miss Khanamporn Piriyesyangkoon*	1,448,200	0.16%
3	Lam's Family [3]	167,326,200	18.19%
	- *Mr. Lam Tuck Keong*	74,259,000	8.07%
	- *Mr. Johson Lim*	54,312,000	5.90%
	- *Mr. Lam Yone Zheok*	38,755,200	4.21%
4	Miss Pajaree Im-udom	31,950,600	3.47%
5	Sakda's Family [4]	24,417,200	2.65%
	- *Mr. Sakda Thongrong*	23,937,200	2.60%
	- *Mr. Supachip Thongrong*	240,000	0.03%
	- *Mr. Phasatorn Thongrong*	240,000	0.03%
6	Miss Amornrat Noppakor	20,037,100	2.18%
7	Miss Kotchanon Nintajan	12,105,000	1.32%
8	Mr. Phayon Mamak	10,917,500	1.19%
9	Mr.Narong Thareratanavibool	10,000,000	1.09%
10	Miss Malinee Limkruayan	9,051,500	0.98%
11	Other Shareholders	260,429,300	28.31%
	Total	920,000,000	100.00%

Note: [1] [2] [3] [4] The Mr. Kittipong Family Group, Mr. Seksak Family Group, Lam Family Group, and Mr. Sakda Family Group are aggregated based on consanguinity (blood relations) and do not constitute an "Acting in Concert" group under Clause 2 of the Notification of the Capital Market Supervisory Board No. TorJor. 7/2552 Re: Determination of Characteristics of Relationship or Behavior Characterised as Acting in Concert with Other Persons and Compliance with Sections 246 and 247.

[1] Details of family relationships within the Mr. Kittipong Family Group consist of Mr. Kittipong Puangmala, Mr. Sawai Puangmala (Father of Mr. Kittipong), Miss Kannika Jaroenpattanawong (Younger sister of Mr. Kittipong), Mr. Krittaphat Puangmala (Son of Mr. Kittipong), Miss Areeya Puangmala (Daughter of Mr. Kittipong), and Miss Korawan Puangmala (Daughter of Mr. Kittipong).

[2] Details of family relationships within the Mr. Seksak Family Group consist of Mr. Seksak Piriyetyanggoon, Master Harit Piriyetyanggoon (Son of Mr. Seksak), Miss Nalinyaphat Piriyetyanggoon (Daughter of Mr. Seksak), Miss Nansaphak Piriyetyanggoon (Daughter of Mr. Seksak), Miss Phatthaphak Piriyetyanggoon (Daughter of Mr. Seksak), Mr. Chakkra Phiriyesyangkun (Younger brother of Mr. Seksak), Mrs. Chuenrudee Phiriyesyangkoon (Mother of Mr. Seksak),Miss Khanamporn Piriyesyangkoon (Older sister of Mr. Seksak)

[3] Details of family relationships within the Mr. Lam Family Group consist of Mr. Johson Lim, Mr. Lam Tuck Keong (brother-in-law of Mr. Johson Lim), and Mr. Lam Yone Zheok (Son of Mr. Lam Tuck Keong)

[4] Details of family relationships within the Mr. Sakda Family Group consist of Mr. Sakda Thongrong, Mr. Supachip Thongrong (Son of Mr. Sakda), and Mr. Phasatorn Thongrong (Son of Mr. Sakda).

1.4 Registered Capital and Paid-up Capital

As of March 21, 2025, the Company had a registered capital of 920.00 million Baht, divided into 920.00 million ordinary shares with a par value of 1 Baht per share, and a paid-up capital of 688.40 million Baht, divided into 688.40 million ordinary shares with a par value of 1 Baht per share.

The 2025 Annual General Meeting of Shareholders, held on March 15, 2025, passed resolutions to approve key agendas as follows:

(1) Approved the conversion of the Company from a private limited company to a public limited company.
(2) Approved the change in par value from 100 Baht per share to 1 Baht per share.
(3) Approved the increase of registered capital by 231.60 million Baht, from 688.40 million Baht to 920.00 million Baht, by issuing 231.60 million new ordinary shares with a par value of 1 Baht per share for the Initial Public Offering (IPO).

Following the Initial Public Offering (IPO) on October 31 and November 3–4, 2025, as of December 31, 2025, the Company has a registered and paid-up capital of 920.00 million Baht, divided into 920.00 million ordinary shares with a par value of 1 Baht per share, which are registered and traded on the Stock Exchange of Thailand (SET).

1.5 Issuance of Other Securities

- None -

1.6 Dividend Policy

The Company has a policy to pay dividends to shareholders based on its profitability each year. The dividend payout ratio is set at not less than 50% of the net profit after deducting all types of reserves required by law, based on the consolidated financial statements. However, the consideration of dividend payments must take into account the financial position, cash flow, liquidity, investment plans, and other factors as deemed appropriate by the Board of Directors. Such dividend payments must not significantly impact the Company's normal operations. The Board's resolution to pay dividends shall be presented for approval at the shareholders' meeting, except for interim dividend payments, which the Board of Directors has the authority to approve and subsequently report to the shareholders at the next meeting.

Furthermore, the dividend payment must not exceed the retained earnings of the Company's separate financial statements and must comply with relevant laws. For the years 2023, 2024, and 2025, the Company's dividend payment details are as follows:

	Unit	2023/1	2024/1	2025/2
Earnings Per Share (EPS)	Baht per Share	0.32	0.38	0.94
Dividend Per Share (DPS)	Baht per Share	0.12	0.18	0.68
Dividend Payout Ratio	Percentage	38.71 %	46.40 %	72.78 %

Note: The 2025 Annual General Meeting of Shareholders, held on March 15, 2025, passed a resolution to change the par value per share from 100 Baht to 1 Baht. Additionally, the meeting approved an increase in registered capital by 231.60 million Baht, rising from 688.40 million Baht to 920.00 million Baht. This capital increase was intended to support the Initial Public Offering (IPO) of new ordinary shares, resulting in an increase in the total number of the Company's shares following the aforementioned resolution.

/1 The calculation is based on the registered capital of 688.40 million Baht (par value of 1 Baht per share), totaling 688.40 million ordinary shares. This excludes the 2022 annual dividend approved by the Annual General Meeting of Shareholders on April 3, 2023.

/2 The calculation is based on the weighted average number of shares, prorated by the period (days) of the registered capital increase, which resulted in the increase of ordinary shares from 688.40 million to 920.00 million shares, completed on November 5, 2026. This includes the dividend payment according to the resolution of the Board of Directors' Meeting No. 2/2026 on February 26, 2026, which resolved to propose to the Annual General Meeting of Shareholders for approval a dividend payment for the year 2025 at the rate of 0.20 Baht per share. The aforementioned dividend payment will be presented for approval at the upcoming Annual General Meeting of Shareholders.

The Company does not specify a minimum dividend payout ratio for its subsidiaries. The Board of Directors and/or the shareholders of each subsidiary may consider paying dividends from the net profit of the subsidiary's separate financial statements after deducting all types of reserves required by law and the subsidiary's regulations. The consideration for dividend payments shall be based on operating performance, financial position, liquidity, investment plans, business expansion, and any other future necessities or appropriateness as deemed fit by the subsidiary's Board of Directors and/or shareholders. Such dividend payments must not significantly impact the normal operations of the subsidiary and must comply with the Company's Corporate Governance Policy for Subsidiaries and Associate Companies.

2. Risk Management

2.1 Risk Management Policy and Plan

Smothong Group Public Company Limited and its subsidiaries ("the Group" or "SMO") recognize the importance of organizational management under good corporate governance to drive the organization toward sustainable growth. Accordingly, the Company has established a Risk Management Policy (full policy details are available on the Company's website: https://www.smothonggroup.com/th/ir/corporate-governance-policy) to serve as the criteria for managing the Group's risks. This ensures that the Group can achieve its defined objectives or goals while remaining resilient to rapid changes in the business environment. The Group's Risk Management Policy was endorsed by the Risk Management Committee and approved by the Board of Directors at Board Meeting No. 1/2025 (post-transformation) on March 28, 2025. The summary of the risk management policy framework is as follows:

(1) The Company shall adopt an enterprise risk management framework in accordance with The Committee of Sponsoring Organizations of the Treadway Commission, Enterprise Risk Management – Integrated Framework (COSO-ERM), to enable the Company to manage risks that may arise and impact business operations.

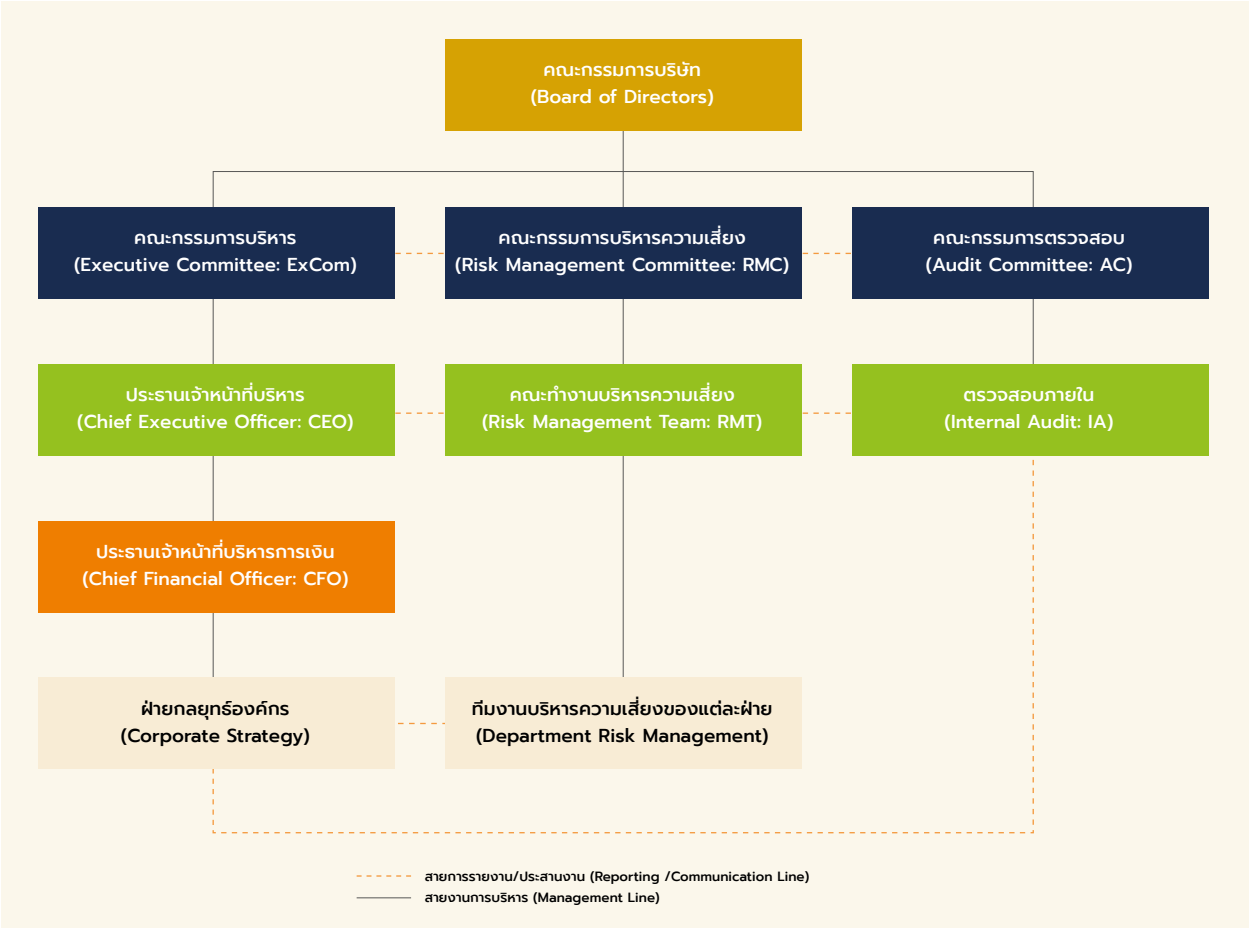
(2) The Company shall integrate risk management processes as part of its strategic planning, business planning, and management of significant projects. This aims to ensure the Company achieves its specified objectives and goals.

(3) Risk management is defined as the responsibility of executives and employees at all levels, implemented through an integrated approach across the entire organization. This includes awareness and prioritization of managing risks within internal work processes, as well as anti-corruption measures, maintaining them at an acceptable, sufficient, and appropriate level.

(4) The Company shall develop its risk management system, including the implementation of modern information technology systems to support the preparation of various reports for the management, the Risk Management Working Group, the Risk Management Committee, and the Board of Directors, ensuring they are informed and can consider matters accurately and on time.

Furthermore, the Risk Management Policy establishes organizational risk management guidelines to serve as a framework for the Group's risk management process, ensuring alignment with good corporate governance principles. This ensures that the Group maintains appropriate and sustainable risk control measures. The significant operational processes defined within the Risk Management Policy are as follows:

(1) The Company has established a risk management structure and defined the roles, duties, and responsibilities of those involved in the risk management process, ranging from the Board of Directors, the Audit Committee, the Risk Management Committee, and the Risk Management Working Group to the Risk Management Teams of each department and the Corporate Strategy Department. Details are shown in Diagram 2.1.



(2) Establishment of the Corporate Risk Map: This serves as a tool for efficient risk management. The Corporate Risk Map is used to assess both Impact and Likelihood to prioritize risks into four levels: Very High, High, Medium, and Low. For any risk exceeding the Risk Appetite level, the Risk Owner must develop additional risk management plans to mitigate or transfer the risk to an acceptable level.

(3) Enterprise Risk Management: Risk management at this level follows a Top-down Risk Management approach, moving from executives to operational units. The Risk Management Working Group, acting as the Risk Owner, is responsible for preparing the Risk Register. This register includes risk factors, strategic goals, Key Risk Indicators (KRI), pre-management risk levels, existing controls, additional risk management plans, and post-management risk levels. The goal is to keep risks within the Risk Appetite and ensure the organization achieves its defined goals. Risk Owners must prepare a Risk Management Report to monitor the organization's risk management and report to the Risk Management Committee and the Board of Directors every quarter.

(4) Process Risk Management: Risk management at this level follows a Bottom-up Risk Management approach, moving from the departmental level up to the executives. Risk Management Teams in each department act as the Risk Owners, responsible for preparing a Risk Register similar to the enterprise level and reporting to the Risk Management Working Group on a quarterly basis.

(5) Risk Management Process

- Define Clear Objectives and Strategies: This is the first step of the risk management process and serves as the vital foundation for subsequent steps. Risk management focuses on

any risks that might prevent the Company from achieving its defined objectives or strategies at both the enterprise and process levels.

- Risk Identification: This step involves studying and understanding the organization's objectives, goals, and strategies to define risk categories and key risk factors that impact operations. This covers both existing risks and Emerging Risks, spanning across Strategic Risk, Operational Risk, Financial Risk, Compliance Risk, and Market Risk. Furthermore, it includes the establishment of Key Risk Indicators (KRIs) and the definition of Risk Appetite.
- Risk Analysis and Assessment: Risks are evaluated from two perspectives: the magnitude of the Impact (severity) if the risk occurs, and the Likelihood (probability) of the risk occurring.
- Risk Response: Following analysis and assessment, the Risk Owner must define additional risk management plans if the pre-management risk level is assessed as "High" or "Very High," which exceeds the acceptable Risk Appetite.
- Establishment of Additional Measures and Controls: Risk Owners define additional internal measures or controls to manage residual risks and execute the additional risk management plans.
- Monitoring and Reporting: Risk Owners are responsible for preparing the Risk Management Report to monitor and report risk management results to the Risk Management Committee and the Board of Directors. The Corporate Strategy Department is responsible for tracking and compiling progress data by ensuring all units submit their risk management report forms every quarter.

(6) The Company shall propose to the Board of Directors to review the Risk Management Policy as appropriate, at least once a year.

2.2 Business Risk Factors

In 2025, the Group prepared a total of Enterprise Risk Registers and Departmental Risk Registers, with details as follows:

2.2.1 Strategic Risk / Market Risk

(1) Risk related to raw material procurement and management

(1.1) Price volatility and raw material shortages

The Group's revenue is primarily derived from the sale of products from crude palm oil production. In 2023, 2024, and 2025, revenue from these products accounted for 97.59%, 97.96%, and 97.75% of the Group's total sales revenue, respectively. The primary raw material is Fresh Fruit Bunches (FFB), an agricultural product of the oil palm tree. While FFB can be harvested year-round, yields fluctuate periodically due to seasonality. Since crude palm oil extraction plants require a consistent supply of FFB to meet production plans, periods of low harvest lead to intense competition among local competitors. This competition causes raw material prices to become volatile, with market buying prices often exceeding the median prices announced by government agencies, making it difficult for the Company to manage production costs effectively. Furthermore, during the low-yield season, the Company must align its production plans with the volume of raw materials procured, accumulating sufficient FFB before commencing machine operations. Each production halt typically lasts 1–3 days, depending on the volume of FFB purchased. Beyond these factors, FFB prices fluctuate according to domestic demand as well as global CPO supply and demand. This is influenced by various factors, such as global CPO stocks, global consumption demand, domestic and international economic and political situations, unrest in various regions abroad, crude oil prices, and the global market prices of other vegetable oils. These risks may impact FFB procurement, production costs, and consequently, the Group's operating results and financial position.

However, the Company recognizes the risks arising from raw material price volatility and shortages. Consequently, a responsible unit has been established to closely monitor changes in Fresh Fruit Bunch (FFB) and Crude Palm Oil (CPO) prices. This unit compiles both internal and external data to analyze and forecast raw material prices, CPO prices, and inventory levels for effective procurement planning. The terms for determining raw material purchase prices must strictly adhere to the Company's policies regarding procurement pricing, product trading, production, and sales optimization. Furthermore, the Company has increased its raw material collection points to cover a wider area, both within existing territories and by expanding factories into high-potential procurement regions. This strategy aims to mitigate risks from FFB volume fluctuations caused by the climatic conditions of any specific area. As of December 31, 2025, the Group operates a total of 57 collection points, categorized into 4 main factory and subsidiary sites, 5 large-scale collection centers, and 48 small-scale collection points. These cover more than 7 provinces, including Surat Thani, Krabi, Phang Nga, Chumphon, Saraburi, Pathum Thani, and Prachuap Khiri Khan. Additionally, the Company actively engages in regular visits and maintains strong relationships with "Lan-Tay" partners (FFB collection centers for smallholders), general small-scale farmers, and sustainable palm oil farmer groups (RSPO) to ensure long-term cooperation.

(1.2) Competition in the Crude Palm Oil Production Industry

The Group operates in the production and distribution of palm oil, which is an intermediate industry. The Group procures Fresh Fruit Bunches (FFB) from farmers for processing into Crude Palm Oil (CPO) and sells it to palm oil refineries. According to data from the Department of Internal Trade, there were a total of 124 CPO extraction mills in Thailand in 2025, with a total domestic CPO production capacity of approximately 7.28 million tons per year. This is equivalent to a total raw material requirement of approximately 40.46 million tons of FFB (calculated at an 18% oil extraction rate). In contrast, there are approximately 440,000 oil palm farming households nationwide, covering a total planting area of about 6.8 million rai, yielding approximately 19.64 million tons of FFB per year. In 2025, palm oil extraction mills processed a total of 21.14 million tons of FFB (Department of Internal Trade, 2026). This resulted in an industry-wide capacity utilization rate of approximately 53% of installed capacity. This overcapacity has led to intense competition in raw material procurement, driving up production costs—particularly during low-yield seasons—which may impact the Group's operating results and financial position.

However, the Company is well aware of the fierce competition within the industry. Consequently, the Company has established risk management guidelines for procurement that do not focus solely on price competition. Instead, the focus is placed on purchasing high-quality FFB that yields a high Oil Extraction Rate (% OER), expanding large-scale collection points, and fostering strong relationships with oil palm farmer groups and "Lan-Tay" (collection centers). These efforts ensure that the Group can secure a sufficient volume of FFB to meet production demands, resulting in a capacity utilization rate that remains higher than the industry average. In 2023, 2024, and 2025, the Group's utilization rates were 55.49%, 52.64%, and 65.72%, respectively.

(2) Risks related to changes in laws, economic policies, and social policies concerning the palm oil and renewable energy industries

(2.1) Changes in Government Policies

Changes in government policies regarding the palm oil and renewable energy sectors directly affect the demand for crude palm oil, particularly policies promoting biodiesel consumption. Historically, various administrations have adjusted the mandatory blending ratio of B100 biodiesel with diesel fuel within a range of 3% to 10% (B3–B10). These adjustments fluctuate based on relevant factors such as fuel prices and domestic crude palm oil (CPO) inventory levels. Such policy shifts can have both positive and negative impacts on the domestic demand for CPO.

However, the Group recognizes the risks associated with these policy changes. To mitigate this risk, the Company closely monitors news and updates from relevant direct government agencies to ensure a timely response to any changes. Furthermore, the Group diversifies its risk by exploring ways to add value to by-products that do not over-rely on government policies. The expansion into export markets also helps the Company reduce the risk of price volatility caused by domestic policy shifts.

(2.2) Changes in Government Regulations or Conditions of Various Business Licenses

The Group's core business of producing and distributing crude palm oil is governed by the National Oil Palm Policy Committee. The Group has obtained all necessary licenses and certifications required for its operations. However, if standards or requirements for the renewal of these licenses or certifications are adjusted in the future, it could impact the Group's operating results and financial position.

In addition to palm oil-specific regulations, the Group's factories must comply with environmental and labor laws, which tend to become increasingly stringent. Certain laws and regulations require specific permits or authorizations with conditions that the Group must satisfy. Violations of these laws or regulations could result in civil liabilities, criminal penalties, the revocation of licenses, or temporary suspension orders, all of which could materially affect the Group's operating results and financial position.

Nevertheless, the Group prioritizes these risks and has assigned responsible units to continuously study and monitor changes in laws, regulations, and various standards. This ensures preparedness in adapting to any new standards or regulatory changes that may arise.

(3) Risks Related to Domestic Product Sales and Inventory Management

(3.1) Risk from Domestic Crude Palm Oil Price Volatility

Crude Palm Oil (CPO) is a commodity essential to various downstream industries, including food, energy, and oleochemicals. CPO prices fluctuate based on global supply and demand, influenced by factors such as population growth, economic scale, and government policies; growth in the food and renewable energy sectors of major consuming countries; the price and availability of substitute products (e.g., soybean oil, canola oil, and sunflower oil); planting area; climatic conditions; and international environmental, political, and economic situations.

Domestic CPO prices in Thailand may move in the same or different directions compared to international prices, depending on internal factors. Thailand implements policies to limit CPO imports to protect domestic producers, as palm oil is one of Thailand's 23 "sensitive products." However, the domestic market remains influenced by global price leaders, namely the world's top two producers: Indonesia and Malaysia. Thailand is the world's third-largest producer, with a production volume of 3.3 million tons in 2024/2025, accounting for 4.25% of global production. In comparison, the top two producers combined account for approximately 64.9 million tons, or about 82.75% of global output (United States Department of Agriculture (USDA), 2026).

The Company recognizes the risks associated with domestic CPO price volatility and closely monitors both global and domestic price situations. We specifically track key factors impacting prices and forecast future trends to implement existing controls, such as managing production costs and timing sales at appropriate price levels. Our strategy includes adhering to procurement and trading pricing policies, determining sales volumes per transaction, maintaining optimal inventory levels, and balancing sales between long-term contracts and spot markets. We maintain a domestic long-term contract ratio of no less than 20%, which helps mitigate volatility through price averaging.

(3.2) Risk Related to Changing Consumer Trends and Substitute Products

Current health-conscious trends for longevity have led consumers to be more selective about their diets. Some consumer groups avoid palm oil or palm-based products due to research suggesting that palm oil contains higher saturated fat levels compared to other vegetable oils like olive, rice bran, or soybean oil. Additionally, the rising popularity of Electric Vehicles (EVs) may lead to a decrease in demand for vehicle fuels. CPO is used to produce B100 biodiesel, which is blended with diesel at ratios of 3%–10% (B3–B10), depending on the Ministry of Energy's policies at any given time.

In Thailand, domestic CPO consumption is divided into two major groups: approximately 35% is used in the energy industry for biodiesel, while the remaining 65% is used in the food and oleochemical industries (e.g., vegetable oil, margarine, soap, detergent, pharmaceuticals, and cosmetics). These changing consumer behaviors may impact future CPO demand.

The Group recognizes these risks and monitors consumer trends and substitute product developments to adapt accordingly. However, due to its lower production cost and higher smoke point compared to other vegetable oils, palm oil remains essential for frying and industrial-scale food production. Nevertheless, if the price of other vegetable oils decreases to a level comparable to palm oil, consumers might switch to substitutes. Currently, CPO is being increasingly utilized in the oleochemical industry for consumer goods, pharmaceuticals, cosmetics, and lubricants—sectors that show continuous growth potential. The Group diversifies its sales across the food, energy, and oleochemical industries to avoid over-reliance on any single customer segment and to mitigate risks should demand in one sector decline.

(4) Risks Related to International Product Exports

The Group engages in product sales to international customers, where the value per purchase order is high compared to domestic sales. This is a normal business practice, as international buyers require high-volume orders to minimize per-unit transportation costs through Economies of Scale. Consequently, this leads to risks associated with the Group's product exports. Key risks include the payment capability of buyers and issuing banks for Letters of Credit (L/C), foreign exchange volatility, discrepancies in L/C documentation, political risks, and international trade measures. Additionally, export activities are subject to risks concerning competitiveness and government policies. In the event of delayed payments, the Group's liquidity and overall financial position could be adversely affected.

However, the Group has implemented existing controls, which include credit risk management by defining customer qualifications and payment terms. The credit ratings of customers and L/C issuing banks must comply with the Group's specified conditions. Credit assessments are conducted in accordance with the Domestic Customer Credit and Credit Rating Policy. Additionally, the Group utilizes Forward Contracts to hedge against foreign exchange risks, maintains strict control over the export documentation process, and secures export insurance for transactions in high-risk countries. The Group also closely monitors market situations and international trade regulations. Furthermore, the Group has established additional risk management plans, including diversifying the customer base across multiple countries, increasing customer variety within core markets, boosting export volumes during periods when the Company possesses a competitive cost advantage, exporting by-products to enhance competitiveness and mitigate the long-term impact of crude palm oil price volatility.

(5) Risks Related to the Group's Business Plan and Investment

Risks associated with the business plans and investments of the Company and its subsidiaries may arise from factors such as investment projects failing to meet defined plans in terms of timeline, budget, and achievement of outcomes. These may result from internal factors and/or uncontrollable external factors, inaccurate business trend forecasting, inappropriate project analysis or selection, misalignment between short-term and long-term investment projects, and the readiness of management to drive business plans.

However, the Company has established control measures, such as the preparation of annual budgets and business plans, and the definition of Strategic Key Performance Indicators (KPIs) related to investment projects at all levels—from the corporate and executive levels to business units and departments—to drive investments toward their targets. Furthermore, Key Risk Indicators (KRIs) have been established to monitor the Group's investment projects, ensuring that risks do not exceed the Risk Appetite. This allows the management team to manage risks in a timely manner. The Company also develops investment policies to set criteria and conditions for the Group's investments and to evaluate the Rate of Return of each project. This enables the selection of investment projects with the highest returns under limited budget constraints. Progress on the Group's investment projects is monitored and reported to the Risk Management Working Group on a quarterly basis. Additionally, the Company focuses on developing human resource potential to align with long-term business plans and monitors the investments of subsidiaries and associates to ensure they meet specified targets.

Moreover, the Company has additional risk management plans, including the preparation of a 5-year investment plan aligned with Sustainable Development to support long-term growth. The Company also monitors key variables affecting organizational goals to ensure that business and investment plans are achieved as planned.

(6) Risk of Change in Corporate Leadership

The Group has operated in the production and distribution of crude palm oil and related products for more than 15 years under the management of three key executives: Mr. Kittipong Puangmala, Mr. Seksak Phiriyetyangkoon, and Mr. Johson Lim. The business originated from a collaborative effort, integrating their respective expertise derived from their family businesses, which complemented each other perfectly. This synergy resulted in a strong core management team with profound knowledge and experience in the Group's operations. Subsequently, the Group invited Mr. Sakda Thongrong and Ms. Paksinan Boonsong, who possess extensive long-term expertise in the palm oil extraction industry, along with Mr. Kusol Sripaoraya, an expert in accounting and finance, to become shareholders and joint business developers. Their collective contributions have driven continuous growth in the Group's operating results and financial position to the present day. Operating under the founding management team, the Company faces Key Person Risk due to its reliance on these executives. Any change in the core management team could potentially impact the business operations, performance, and financial position of the Group.

To mitigate this risk, the Company prioritizes managing its reliance on key executives through the recruitment of high-caliber external personnel and the internal development of potential candidates. This is in accordance with the Succession Planning and Human Resources Management Policy, which mandates the preparation of a Succession Plan for senior executives. This plan ensures readiness in developing or recruiting replacements for key positions, thereby maintaining

business continuity. Suitable successors must possess the necessary knowledge, experience, and expertise in their respective functional areas, hold a strong management vision, and have a deep understanding of the corporate culture.

2.2.2 Financial Risk

(1) Capital Management of the Company and its Subsidiaries

(1.1) Risk from Interest Rate Volatility from Financial Institutions

As of December 31, 2025, the Group had Interest-Bearing Debt amounting to 1,235.56 million Baht. The majority of this debt consists of loans from commercial banks used as working capital and for investment in production process improvements to enhance efficiency. Most of the Group's loan agreements are subject to floating interest rates (MRR). Consequently, if loan interest rates undergo a significant upward trend, it may result in increased financial costs, thereby impacting the Group's operating results and financial position.

However, following the most recent policy rate adjustment on December 17, 2025, the Monetary Policy Committee (MPC) resolved to cut the interest rate by 0.25%, bringing the policy rate to 1.25%. This downward trend in interest rates helps mitigate the risk of volatility. Furthermore, the Company prepares future spending forecasts and secures funding through planned borrowings from multiple commercial banks. Interest rate situations are monitored regularly to mitigate the risk of cash flow shortages. Additionally, being a listed company on the Stock Exchange of Thailand (SET) will enable the Group to access a more diverse range of funding sources.

(1.2) Risks related to funding and liquidity, and risks from terms and conditions in loan agreements with banks

The Company's crude palm oil production and distribution business requires significant capital for working capital to purchase raw materials, as well as for business expansion or production capacity increases. In expanding the business or increasing capacity, the Company must consider its liquidity, funding capabilities, and access to capital sources. If the Company is unable to secure sufficient funding, it may impact business expansion opportunities, and operating results may not meet projections. Throughout its business history, the Company has consistently entered into loan agreements and utilized credit facilities from commercial banks. As of December 31, 2025, the Group maintained agreements with six banks, receiving support under credit facilities for business operations. Should the Group fail to comply with any financial covenants, it could be deemed an event of default by financial institution creditors, leading to demands for accelerated repayment before maturity or an increase in loan interest rates. Such occurrences would result in higher financial costs or impact the Group's cash flow. From the past to the present, the Group has consistently and fully complied with all financial covenants and agreements, including the requirements under current loan contracts. Furthermore, the Group maintains credit facilities with multiple commercial banks and fosters strong relationships with all such institutions. Additionally, being a listed company on the Stock Exchange of Thailand will enable the Group to access a wider variety of funding sources to support its ongoing growth.

(1.3) Risk from Foreign Exchange Rate Volatility

The Group began generating revenue from international customers by exporting crude palm oil in 2022 to expand its market reach and support increased production capacity. International sales revenue for the years 2023, 2024, and 2025 amounted to 1,830.85 million Baht, 2,286.95 million Baht, and 5,088.57 million Baht, respectively. These figures represent 36.69%, 43.79%, and 64.16% of the total crude palm oil sales revenue for each respective year. All international transactions are conducted in US Dollars (USD), while all production costs are incurred in Thai Baht (THB). Consequently, volatility in foreign exchange rates could impact the Group's operating results, cash flow, and financial position. Furthermore, the exchange rate is a critical factor affecting the competitiveness of domestic products in the global market. An appreciation of the Thai Baht (THB) tends to have a negative impact on the export business, whereas a depreciation of the Thai Baht (THB) generally yields a positive impact. To mitigate foreign exchange risk, the Group has

established a Foreign Exchange and Interest Rate Risk Management Policy. This policy mandates that for every transaction involving crude palm oil sales contracts in foreign currency, financial derivatives must be utilized to hedge at least 50% of the transaction value, with an accumulated unhedged balance not exceeding 1 million USD at any given time. However, in practice, the Group typically enters into financial derivative contracts to hedge the entire amount (100%) of the transaction. This approach minimizes the potential for foreign exchange losses from the date the sales agreement is executed until the final payment is received.

2.2.3 Operational Risk

(1) Risks Related to Crude Palm Oil Production Cost Management (Excluding Raw Materials and Procurement Logistics)

(1.1) Risk Related to Factory Production Capacity and Capability

The majority of the Group's operating results depend on the factories' capability to produce crude palm oil (CPO) and palm kernels (PK). This capability is influenced by several factors, such as the procurement of a sufficient and skilled labor force, machinery maintenance, and the strategic planning of maintenance schedules to align with harvest seasons—ensuring machine readiness during peak crop periods. Additionally, it involves managing FFB inventory to suit seasonal production plans, producing palm oil that meets quality standards, and the expertise required to minimize process losses. If the factories' production potential effectively aligns with the harvest cycles, the Company's average capacity utilization rate will remain significantly higher than the industry average of 53%.

Currently, the Company operates a total of four factories. The details of each factory's production capacity are as follows:

Company Name	Branch	Location	Production Capacity (Tons of FFB per Hour)
Smothong Group PLC.	Tha Chana Branch	Prasong, Tha Chana, Surat Thani	75
	Phanom Branch	Khlong Cha-un, Phanom, Surat Thani	75
	Saraburi Branch	Nong Rong, Nong Khae, Saraburi	30
A L Palm Co., Ltd.		Thung Takhrai, Thung Tako, Chumphon	60
		Total	240

As of December 31, 2025, the Group employed a total of 778 personnel, the majority of whom are Thai nationals, which is sufficient for the Group's business operations. However, should factors change in the future—such as a shortage of skilled labor in palm oil extraction leading to sub-standard production quality or increased process losses, labor disputes, a decline in machinery efficiency, or errors in FFB inventory management—these could prevent the factories from achieving their defined targets. Such issues could impact extraction rates, palm oil quality, and ultimately production costs, thereby affecting operating results, cash flow, and the Group's financial position.

However, the Group recognizes these risks and has implemented a Preventive Maintenance schedule for machinery and equipment to ensure that production remains unaffected during peak harvest seasons. Additionally, the Group meticulously plans its labor procurement to align with production requirements and maintains sufficient manning levels. Training programs are also provided to enhance employee potential, ensuring consistent operational standards across all branches and subsidiaries. Furthermore, operating four factories in four distinct locations helps diversify and mitigate the aforementioned risks.

(1.2) Risk from Temporary Business Interruption of Crude Palm Oil Factories

Since the majority of the Group's operating results are derived from the production and distribution of crude palm oil and related products—most of which are processed within the Group's own facilities—any event leading to a production halt or temporary interruption could materially impact the Group's performance. Such events include natural disasters, severe pandemics, major industrial accidents, and other catastrophic or uncontrollable incidents, which may affect the Group's operating results, cash flow, and financial position. However, the Group has established a Business Continuity Plan (BCP) covering all critical business units. This plan is designed to ensure that operations can continue during crises or emergencies, minimizing potential damage and allowing the business to remain functional. Additionally, the Group's strategic presence with factories in multiple locations serves as a key factor in mitigating localized risks that could otherwise impact overall production. Beyond these measures, the Group opts to transfer risk by securing Property All Risks Insurance and Business Interruption Insurance, as stipulated in its Insurance Policy, to further reduce potential financial losses.

(2) Risks Related to Operational Processes Linked to Information Technology (IT) Systems

Operational risks linked to IT systems may arise from non-compliance with corporate policies and regulations, instability of information systems and software, insufficient testing of the Business Continuity Plan (BCP), or limited employee proficiency in system usage. External factors, such as natural disasters and cyber threats, could also cause system disruptions, affecting business operations.

However, the Group has established an IT Business Continuity Plan to ensure operational resilience. Control measures have been implemented, such as internal control audits conducted by internal and external auditors to ensure that IT-linked operational systems are appropriate and sufficient for business continuity. The Group reviews and tests the BCP at least once a year, develops stable and secure information systems, and prepares data emergency response plans. Furthermore, the Company has additional risk management plans, including upgrading data access controls and cybersecurity measures, as well as enhancing employee capabilities and knowledge sharing regarding system maintenance to ensure continuous and efficient organizational performance.

(3) Risks Related to Product Quality

Product quality risks may stem from production processes, quality sampling procedures, finished goods inventory management, the Group's sales policies, customer measurement standards, transportation processes, and weather conditions. These factors could cause product quality to fall below trading standards, leading to price deductions, product returns, or decreased customer satisfaction, which may impact the Group's future operations.

Nevertheless, the Company has established control measures, such as regular machinery maintenance, production process controls, quality sampling, quality inspections prior to transferring products into crude palm oil storage tanks, and vehicle condition inspections for transport. Additionally, the Company has defined Key Risk Indicators (KRIs) related to product quality to monitor and control quality parameters within acceptable levels. Further risk management plans include improving production processes, increasing the frequency of quality sampling, and specifically managing oil with high Free Fatty Acid (FFA) content to ensure all products consistently meet required standards.

2.2.4 Compliance Risk

(1) Risks Related to Corporate Governance Sustainability

(1.1) Corporate Governance Risk

The Group's Corporate Governance Policy (the full policy is available on the Company's website at https://www.smothonggroup.com/th/ir/corporate-governance-policy) adheres to the Corporate Governance Code for Listed Companies 2017 (CG Code) of the Securities and Exchange Commission (SEC) as a guideline for organizational management. Regarding the selection of the Chairman of the Board, the Company has established Principle 3.2, which mandates the Board to elect a suitable individual as Chairman and ensure that the Board's composition and operations facilitate independent judgment in decision-making. The policy further specifies that the Chairman should ideally be an Independent Director. If the Chairman is not an Independent Director, the Board should promote a balance of power between the Board and Management by ensuring that Independent Directors constitute more than half of the Board, or by appointing an Independent Director to participate in determining the Board meeting agendas. According to the Board of Directors Meeting No. 1/2025 (post-conversion) on March 28, 2025, the Board resolved to appoint Mr.Surachai Chitratsenee as the Chairman of the Board. Since Mr. Surachai is not an Independent Director, the Board resolved to appoint Mr.Weerayuth Sajjaphanroj, an Independent Director, to jointly consider and approve the Board meeting agendas and sign in acknowledgment for every meeting. This practice is in strict compliance with the Group's Corporate Governance principles. Furthermore, Mr.Surachai Chitratsenee does not hold the status of a major shareholder, a controlling person, or an executive of the Company. The Company is confident that Mr. Surachai, in his capacity as Chairman, will effectively promote a balance of power between the Board and Management and facilitate the exercise of independent judgment.

The Group oversees all personnel to ensure compliance with charters, policies, business ethics, and organizational regulations. This includes communicating these standards to stakeholders via the Company's website and implementing training and assessments for employees. Additionally, corporate governance targets are integrated into the organization's Strategic Key Performance Indicators (KPIs). The Company also has additional risk management plans, such as improving the whistleblowing policy and system, and declaring its intention to join the Thai Private Sector Collective Action Against Corruption (CAC) to strengthen transparency and business sustainability. (Further details can be found in Section 2: Corporate Governance, Item 6: Corporate Governance Policy).

(1.2) Risk from Pending Litigation

As of December 31, 2025, the Company is involved in a legal dispute currently under the consideration of the Supreme Administrative Court. The case is presently in the stage of reviewing appeals, answers to appeals, motions, statements, and the court's fact-finding process. The case will proceed to the formal deliberation phase once the court issues an order concluding the fact-finding process, after which dates for the hearing and the judgment will be scheduled. Regarding this case, on September 17, 2024, the Central Administrative Court dismissed the lawsuit seeking the revocation of the Factory Operation License (Rong Ngor 4) and the Construction Permit (Sor Or 1). However, the court ordered relevant government agencies to perform their duties in overseeing and inspecting the operations of the Saraburi Branch factory and to report the inspection results to the court every 60 days (for a total of three reports). (Detailed information on this case can be found in Section 5.2: Other Key Information, under Item 5.3: Legal Disputes).

The Company is closely monitoring the progress of the judicial process and continuously assessing potential impacts on its operations. Based on the Group's 2025 financial statements, the Saraburi Branch factory's assets represent 5.32% of total assets, and its revenue accounts for 8.71% of total revenue. As the dispute is currently pending before the Supreme Administrative Court, the final judgment remains subject to the court's discretion. Consequently, this litigation poses a risk that could affect the Group's operating results and financial position. The Company's management has estimated the maximum potential damage from the case at no more than 125 million Baht. Nevertheless, the Company has been advised by its legal counsel that there is a low probability that the future judgment of the Supreme Administrative Court will have a significant adverse impact on the Company.

(2) Environmental Sustainability Risks

(2.1) Risk from Environmental Control and Management

The Company operates in the production and distribution of crude palm oil and palm kernels. The production process may generate pollution within the factory premises and surrounding areas, such as dust, smoke, odors, and noise. If the parameters of these pollutants exceed the limits prescribed by regulatory agencies, severe cases could result in a temporary production halt, thereby impacting the Group's operating results and financial position.

However, the Company recognizes the critical importance of preventing and mitigating environmental impacts. The Group has invested in machinery designed to reduce environmental effects. For instance, the Saraburi, Tha Chana, and Phanom branches, along with A L Palm Co., Ltd., have installed Electrostatic Precipitators (ESP) to maintain dust emissions well below the levels required by law. The Saraburi branch has invested in wastewater treatment through fermentation ponds, utilizing biogas as fuel for its boilers. Meanwhile, the Phanom and Tha Chana branches and A L Palm Co., Ltd. utilize biogas as fuel for electricity generation in power plants and are studying wastewater management guidelines to achieve a completely zero-discharge system through total water recycling. The Company has been certified by the Ministry of Industry as a Green Industry Level 2: Green Activities, reflecting the Group's commitment to environmental risk management.

Furthermore, the Group has established Strategic Key Performance Indicators (KPIs) related to environmental sustainability at the corporate, executive, business unit, and departmental levels. These KPIs drive the organization to achieve its environmental risk management goals through efficient resource utilization, the reduction of production waste, and the optimization of by-products. Key initiatives include obtaining Carbon Footprint for Organization (CFO) certification for all branches, reducing electricity consumption from the Provincial Electricity Authority (PEA) and increasing the proportion of renewable energy usage, reusing treated wastewater or reducing water withdrawal from natural sources, minimizing oil loss in the production process, reducing machine downtime, and implementing a four-category waste segregation system. (Further details can be found in Part 1: Business Operations and Performance, Item 3: Driving Business for Sustainability).

(2.2) Climate Change Risk

In recent years, countries worldwide have faced the escalating impacts of Global Warming, leading to increased climate volatility and Climate Disasters. These phenomena have significantly impacted the agricultural sector. Thailand is among the countries affected by such climate change, particularly concerning key economic crops like oil palm, which is the primary raw material for the Group's production process.

Changes in precipitation patterns, such as prolonged dry spells or decreased rainfall, directly affect the growth of oil palms, which are water-intensive crops. Such conditions can lead to reduced fruit bunch quality, causing the market supply of Fresh Fruit Bunches (FFB) to fall short of projections or triggering extreme price volatility. These factors may materially impact the Group's operating results and financial position.

However, the Group recognizes the risks posed by climate change and closely monitors weather conditions that may influence the market supply of FFB. The Group has also implemented measures to mitigate its environmental footprint by planning and managing the reduction of greenhouse gas emissions, measured in Carbon Dioxide Equivalent (CO_2e). This initiative begins with the assessment and verification of the organization's greenhouse gas emissions through Carbon Footprint for Organization (CFO) certification for all of the Group's branches. This data serves as a fundamental baseline for establishing guidelines to reduce emissions and supporting long-term sustainable business operations.

(3) Social Sustainability Risks

The Group prioritizes social sustainability risk management by strictly adhering to laws, regulations, and policies concerning occupational health and safety, human rights, and equality regarding gender, race, and religion, as well as maintaining responsibility toward all stakeholders. This commitment begins with ensuring workplace safety. However, shifts in government policies related to safety and labor protection could pose a risk if the Group is unable to adapt in a timely manner, which may subsequently affect the Group's operating results.

To manage and mitigate these social sustainability risks, the Group has established control measures, including the definition of regulations and disciplinary actions in accordance with corporate rules. Furthermore, the Sustainable Development Policy and Business Code of Conduct are consistently communicated to all personnel to ensure awareness and compliance. (The full policy is available on the Company's website at https://www.smothonggroup.com/th/ir/corporate-governance-policy) Additionally, the Group has integrated social sustainability-related Strategic Key Performance Indicators (KPIs) to drive various departments to operate in alignment with the organization's sustainability goals.

The Group remains committed to conducting business with responsibility toward all stakeholders. This includes establishing supplier selection guidelines that consider human rights and social responsibility. The Group also engages in Corporate Social Responsibility (CSR) activities through various projects, such as supporting education, promoting and preserving cultural traditions, supporting religious institutions, and other social welfare activities to create shared value with the community and society. Furthermore, the Group monitors changes in relevant laws and standards to ensure that business operations remain transparent, accountable, and consistent with sustainable development principles. (Further details can be found in Part 1: Business Operations and Performance, Item 3: Driving Business for Sustainability).

3. Driving Business for Sustainability

3.1 Sustainability Management Policies and Goals

Sustainability Development Goals and Strategies

Smothong Group Public Company Limited and its subsidiaries have established a sustainability strategy to ensure that all operational activities align with the corporate Sustainable Development Policy. Our core strategies are integrated and linked with the United Nations Sustainable Development Goals (SDGs).

Sustainability Strategy Framework

Environmental Dimension		Social Dimension			
Climate Change Management	Water and Wastewater Management	Welfare and Compensation	Human Rights and Labor Standards	Occupational Health, Safety, and Working Environment	Community and Social Development Engagement
Limit the use of non-renewable energy to no more than 5% by installing renewable energy power generation systems.	Reduce water consumption in the production process by implementing water recycling and reuse systems.	• Maintain local employment at more than 30% annually. • Maintain an average monthly employee turnover rate of no more than 2% of the total workforce.	• Zero incidents of discrimination complaints. • Zero incidents of child labor and forced labor. (Strict adherence to non-discrimination, anti-child labor, and anti-forced labor policies is mandated.)	• Zero fatalities or permanent disabilities resulting from work-related accidents. (Continuous policy enforcement and safety training for all employees in occupational health and safety.)	Implement at least two Corporate Social Responsibility (CSR) projects per branch per year. Projects are selected based on actual community needs and strategic policy goals.
Utilization of non-renewable energy was reduced to 3.01%.	The volume of recycled/ circulated water reached 37 Megaliters.	• Local employment (employees domiciled in Southern Thailand) accounted for 85% of the total workforce. • The average voluntary employee turnover rate was maintained at 1.47% per	• Zero complaints regarding discrimination were reported in 2025. • Zero incidents of child labor or forced labor were identified.	The rate of fatal or permanent disability work-related accidents remained at 0.	Successfully implemented at least 2 Corporate Social Responsibility (CSR) projects per branch, achieving the corporate target for the year.

3.2 Impact Management for Stakeholders in the Business Value Chain

3.2.1 SMO's Value Chain

1. Upstream Industry

Farmer/ Oil Palm Cultivators (Input Factors) Oil palm is the primary raw material of the Company. To ensure raw material security and a continuous supply throughout the year, the Company procures oil palm directly from farmers at the factory sites and through the Company's strategically located collection points (Ramps). Additionally, we source oil palm from partner collecting yards. The Company also prioritizes sourcing from farmers who meet the Roundtable on Sustainable Palm Oil (RSPO) standards. We maintain rigorous procurement procedures and quality control processes to ensure that all raw materials meet our high industrial standards.

2. Midstream Industry

2.1 Palm Oil Extraction Mill (Operations) The Company operates as a palm oil extraction mill. The production process for Crude Palm Oil (CPO) and Kernel Drying involves processing raw materials (Fresh Fruit Bunches) through sterilization, digestion, pressing, oil clarification, and nut cracking. This results in our main products: Crude Palm Oil and Dried Palm Kernels. The production process also generates several by-products, including Palm Shells (Shell), Palm Fiber (Fiber), Empty Fruit Bunches (EFB), Long Fiber, Decanter Cake, and Dry Decanter Cake.

Furthermore, the effluent (wastewater) from the production process is channeled into the Biogas production system to generate electricity, which is then sold to the Provincial Electricity Authority (PEA).

2.2 Palm Oil Refining and Processing (Sales and Distribution) Oil refineries are the Company's primary customer group. The Company distributes crude palm oil to refineries in the Food Industry (e.g., vegetable oil) and refineries in the Energy Sector (e.g., biodiesel). Additionally, the Company offers Certified Sustainable Palm Oil (CSPO) to customers who prioritize sustainability. The Company also sells Dried Palm Kernels to palm kernel crushing plants, where the extracted oil is used in the food and cosmetics industries.

Regarding the transportation and distribution process, the Company utilizes a Logistics system consisting of our own fleet and selected partner trucks that meet the Company's transportation standards. Furthermore, the Company conducts after-sales evaluations by measuring customer satisfaction through various methods, such as telephone interviews, email surveys, or online questionnaires via the Company's website. These efforts aim to define business targets and establish guidelines for enhancing satisfaction with the Company's products and after-sales services.

3. Downstream Industry

The products derived from the palm oil extraction process are not only utilized in the vegetable oil refining and energy sectors but are also versatile across a wide range of other industries. These include the Energy Business, Food Industry, Cosmetics Industry, Textile Industry, and the Paper Industry, among others.

3.2.2 Stakeholders in the SMO Value Chain

Value Chain Activities	Related Stakeholders
Raw Material Procurement	Farmers / External Service Providers / Creditors / Communities / Employees / Shareholders
Inbound Logistics	Farmers / External Service Providers / Communities / Employees / Shareholders
Operations (Production)	Employees / Communities / Government Agencies / Shareholders / External Service Providers
Marketing and Sales (Main Products and By-products)	Customers / Communities / Government Agencies / Shareholders / Employees
Outbound Logistics and Distribution	Customers / Communities / Government Agencies / Shareholders / Employees / External Service Providers
Customers and Consumers	Customers / Consumers

Stakeholder Engagement

Stakeholders			Engagement Methods
Owners and Shareholders	Action	Build a stable financial position, continuously increase sales, and manage costs effectively. Committed to optimizing internal processes and utilizing necessary resources efficiently.	• Interviews • Stakeholder Questionnaires
	Expected Outcomes	• Increased profitability • Expansion into new business ventures • Cost control according to targets • Reduction of production losses • Product quality meeting customer requirements • Development of new technologies • Operational safety with zero accidents affecting corporate image	
Employees	Action	Develop personnel to gain knowledge, skills, and expertise. Promote quality awareness and organizational loyalty.	• Interviews • Stakeholder Questionnaires
	Expected Outcomes	• Knowledge development and promotion • Workplace safety • Sustainable long-term career growth within the organization	
Farmers (Raw Material Suppliers)	Action	Ensure delivery of quality raw materials in sufficient quantities and build strong, positive relationships.	• Stakeholder Questionnaires
	Expected Outcomes	• Procurement of quality raw materials in sufficient volume • Safety during the delivery process at company sites	
External Providers	Action	Ensure effective operations and deliver products according to requirements.	• Stakeholder Questionnaires
	Expected Outcomes	• Products delivered according to quality requirements	
Customers	Action	Produce and distribute high-quality main products and by-products.	• Stakeholder Questionnaires
	Expected Outcomes	• Continuous customer satisfaction • Strict adherence to customer safety regulations	
Society (Community)	Action	Operate with environmental and social responsibility. Support local community activities.	• Stakeholder Questionnaires
	Expected Outcomes	• Participation in local community activities • Zero negative impact on the community	

Stakeholders			Engagement Methods
Government Agencies	Action	Comply with all relevant laws and regulations.	• Stakeholder Questionnaires
	Expected Outcomes	• On-time tax payments • Accurate reporting of figures/data • Full compliance with legal requirements	
Creditors	Action	Manage capital for operations effectively.	• Stakeholder Questionnaires
	Expected Outcomes	• On-time debt repayment	

3) Sustainability Materiality Assessment

In determining the sustainability topics for this report, the Company has analyzed factors and assessed significant organizational impacts to identify key sustainability issues covering Governance, Environmental, and Social dimensions. This sustainability report has been prepared in accordance with the Global Reporting Initiative (GRI) standards to identify Material Topics. The process for defining these material sustainability issues consists of the following 5 steps:

1. Study of Organizational Context and Value Chain

The Sustainability Working Group has conducted a comprehensive study and review to understand the Company's operational processes throughout the entire value chain. This involves analyzing key information from internal factors—such as the corporate vision, mission, and internal stakeholder perspectives—as well as external factors, including the expectations of external stakeholders. This study covers all dimensions of Governance, Social, and Environmental impacts.

2. Identification and Impact Assessment

This step involves identifying issues that impact the Company, both positively and negatively. These are categorized into actual and potential risks and opportunities. The identification is conducted through active dialogue and by gathering feedback from relevant stakeholders across the entire business value chain.

3. Assessment of Significant Impacts and Prioritization

The Sustainability Working Group, in collaboration with relevant departments, assesses the significant impacts arising from the Company's operations while considering all stakeholder groups. The Prioritization process is based on two primary criteria (1) Stakeholder Concerns/ Expectations, (2) Impact on the Business. The assessment ensures comprehensive coverage of Governance, Social, and Environmental dimensions. Subsequently, the data from the significant impact assessment is processed to prioritize sustainability issues. Scoring criteria are established for each key issue, categorized into three levels: High, Medium, and Low.

4. Data Disclosure

The Sustainability Working Group presented the identified material sustainability topics to the Senior Management team for review and verification. This process ensures the completeness and accuracy of the sustainability issues disclosed in the report, ensuring they are fully aligned with the Company's operational context and strategic direction.

Sustainability Materiality Assessment Results

The identified material topics are categorized by their level of significance as follows:

High-Significance Materiality Topics	Medium-Significance Materiality Topics	Low-Significance Materiality Topics
• Energy Management • Greenhouse Gas Emissions • Water Management • Community and Social Engagement • Employee Training and Skills Development • Occupational Health and Safety • Child Labor • Forced Labor • Employment • Diversity and Equal Opportunity • Standard Systems and Quality Certifications	• Building a Positive Social Image • Economic Performance • Market Presence • Indirect Economic Impacts • Anti-Competitive Behavior (Monopoly)	• Waste Management • Government Intervention and Policies • Anti-Corruption

Prioritization Results: The organization has decided that high-significance material topics will be subject to close and continuous performance monitoring.

Categorized by ESG dimensions as follows:

Environmental Dimension

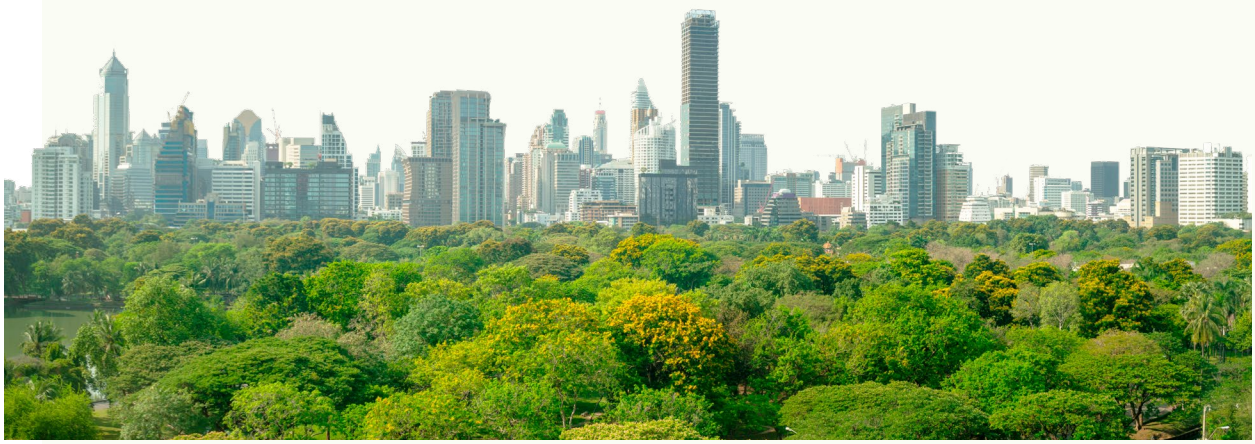
- Energy Management
- Greenhouse Gas Emissions
- Water Management
- Waste Management

Social Dimension

- Community and Social Engagement
- Employee Training and Skills Development
- Occupational Health and Safety
- Child Labor
- Forced Labor
- Employment
- Diversity and Equal Opportunity
- Building a Positive Social Image
- Government Intervention and Policies

Governance Dimension

- Economic Performance
- Market Presence
- Indirect Economic Impacts
- Anti-Competitive Behaviour (Monopoly)
- Anti-Corruption
- Standard Systems and Quality Certifications



Material Topics Impacting Long-Term Corporate Value Creation

ESG	Material Topics	Stakeholders	Impacts / Opportunities / Risks to Business	Goals / Key Performance Indicators (KPIs)	Strategy / Operational Plans	Performance Results
Governance Dimension	Promoting Business Operations Based on Corporate Governance Principles	• SMO • Customers / Business Partners • Society	• Building long-term confidence, increasing business opportunities, and creating added value for stakeholders • Reputational risk, legal risk, financial risk, and operational risk.	To obtain Corporate Governance certification and/or declare intent to join the Thailand Private Sector Collective Action Against Corruption (CAC).	• Efficiently manage risks and internal controls. • Disclose financial and non-financial information adequately and equitably. • Strictly comply with relevant laws and regulations. • Promote and evaluate standards for suppliers.	Declare intent to join the Thailand Private Sector Collective Action Against Corruption (CAC).
Environmental and Social Dimensions	Increasing the Volume of RSPO-Registered Fresh Fruit Bunches	• Farmers • Customers	• Farmers gain increased income from sustainable oil palm farming. • Customers receive palm oil from sustainable production sources.	Increase the volume of RSPO-registered Fresh Fruit Bunches (FFB) by 5%.	• Promote RSPO membership recruitment to farmers through the Company's purchasing points (Ramps). • RSPO officers monitor and track the FFB sales of existing members. • Offer a premium purchasing price for RSPO-registered oil palm fruit.	The volume of Fresh Fruit Bunches (FFB) increased by 10.49%.
	Increasing the Use of Solar Electricity	• SMO • Society	• Long-term reduction in electricity costs. • Reduction in greenhouse gas emissions (Carbon Emission).	Increase the use of electricity generated from solar power.	Solar power installation project.	Utilization of solar-generated electricity 80,910 kWh
	Reducing Water Extraction from Natural Sources	• SMO • Society	• Reduction in chemical costs for water treatment. • Reduction in electricity consumption. • Reduction in fuel consumption for boilers. • Minimizing potential conflicts with surrounding communities.	Reduce the extraction of water from natural sources.	Recycling and reusing water from the production process within the factory (Reuse).	Volume of recycled water utilized within the factory: 37 Megaliters.
	Promoting the Reduction of Chemical Fertilizer Use by Farmers	• Farmers • Society	• increasing nutrient levels for oil palms and other crops. • Adding minerals and improving soil conditions. • Reducing chemical fertilizer consumption. • Reducing greenhouse gas emissions from chemical fertilizer use.	Utilizing organic waste materials from the crude palm oil extraction mill as soil conditioners.	Establish a research project on composting organic waste materials from the crude palm oil extraction mill.	Research report confirms that organic waste from the crude palm oil extraction mill is effective for use as soil conditioners.

3.3 Environmental Sustainability Management

Based on the vision and mission of Smothong Group Public Company Limited and its subsidiaries, which aim to operate with a deep appreciation for natural resources and a primary focus on environmental stewardship, the Company's operations emphasize environmental responsibility.

The organization is driven toward sustainability through five core policies:

1. Managing energy consumption to achieve maximum efficiency, including exploring renewable energy alternatives such as biomass and solar energy to replace limited fossil fuel resources.

2. Managing emissions that contribute to climate change by developing a Corporate Carbon Footprint, setting targets to reduce greenhouse gas emissions from various activities, and engaging in carbon credit trading and carbon offset initiatives to mitigate environmental and social impacts.

3. Practicing responsible water usage for maximum efficiency through water reduction, recycling, and reusing treated water within the operations.

4. Reducing waste generation through reuse, recycling, and production process adjustments. Promoting a Circular Economy by utilizing innovation and technology in relevant processes, while also fostering awareness to encourage changes in consumer behavior toward choosing environmentally friendly products or services.

5. Managing environmental quality and biodiversity in accordance with relevant laws and regulations. This includes investing in, developing, and improving environmental management systems, as well as seeking new measures and methods to elevate the efficiency of environmental quality management and control.

Climate Change Management

Climate change is a global issue with widespread impacts, affecting not only environmental sustainability but also economic and social adaptation. Climate-related risks, as well as risks from natural disasters, directly affect the Company's operations. Consequently, Smothong Group Public Company Limited and its subsidiaries have implemented management practices to adapt to climate change. The Company has initiated various activities and projects aligned with climate change management, such as internal greenhouse gas emissions management and renewable energy projects (Solar Energy).

Management Approach

- Smothong Group Public Company Limited and its subsidiaries prioritize energy management and have established a sustainability policy focused on responsible energy management to achieve maximum efficiency.
- Develop a Greenhouse Gas (GHG) inventory and seek Carbon Footprint for Organization (CFO) certification to serve as a database for establishing measures to reduce internal greenhouse gas emissions.
- Increase the proportion of renewable energy use within the organization by expanding the utilization of solar energy, which is a form of clean energy.
- Cultivate awareness among employees regarding the value of energy consumption and encourage collective efforts to reduce electricity usage within the organization.

Energy Consumption

The energy consumption of Smothong Group Public Company Limited and its subsidiaries is derived from two primary sources: Non-renewable energy (electricity, fuel oil) and Renewable energy (biomass, biogas, solar energy).

Goals	Strategies	2025 Performance Results
Maintain non-renewable energy consumption at no more than 5%.	Install renewable energy electricity generation systems.	Non-renewable energy consumption was 3.01%.

Energy Consumption Data of the Group

Branch	Non-renewable Energy		Renewable Energy				Total Internal Energy Consumption (MJ)	Energy Intensity per Production Unit (MJ/ton Product)
	Electricity Consumption (PEA) (kWh)	Fuel Consumption (Liters)	Biomass Consumption (Tons)	Solar Electricity Consumption (kWh)	Biogas Electricity Consumption (kWh)	Biogas for Electricity Generation (Nm3)		
SMOH	1,452,960	847,161	-	58,410	-	-	31,052,112	-
SMO1	422,088	594,016	50,764	-	2,771,390	8,083,577	1,100,477,037	260
SMO2	1,180,386	358,969	43,830	-	-	-	786,863,790	331
SMO4	1,737,620	90,220	15,333	22,500	-	-	277,771,378	261
AL Palm	408,840	168,981	36,840	-	611,549	5,013,083	768,629,870	211
MGP	1,452,960	147	-	-	1,086,009	6,849,566	148,747,510	-
รวม	5,201,894	2,059,493	146,766	80,910	4,468,948	19,946,226	3,113,541,698	266
	93,677,756 MJ		3,019,863,942 MJ					

Notes:
1. Biogas Electricity Consumption refers to the electricity generated from biogas that is recirculated for internal use within the factory.
2. Products include Crude Palm Oil (CPO) and Palm Kernels (PK).
3. SMOH refers to Head Office, SMO1 to Phanom Branch, SMO2 to Tha Chana Branch, SMO4 to Saraburi Branch, AL Palm to A.L. Palm Co., Ltd., and MGP to Mitprasong Green Power Co., Ltd.

Corporate Net Energy Consumption Data

Internal Energy Consumption (MJ)	Energy Exported Externally (MJ)	Total Net Internal Energy Consumption (MJ)
3,113,541,698	162,645,541	2,950,896,156

Note: Energy exported externally refers to electricity generated from biogas and sold to the PEA.

The Company prioritizes the use of clean energy sources by choosing renewable energy to replace non-renewable energy. According to the Group's energy consumption data table, the proportion of renewable energy consumption is significantly higher than that of non-renewable energy. Non-renewable energy consumption stands at 3.01%, while renewable energy consumption reaches 96.99%. The Group's renewable energy is derived from three sources: Biomass, Biogas, and Solar Energy, with respective proportions of 85.63%, 14.36%, and 0.01%.

Furthermore, the Company consumes electricity outside the organization at the Group's oil palm raw material purchasing points (Ramps). This external energy consumption amounts to 570,560 Megajoules, representing an external-to-internal energy consumption ratio of 0.02%.

Key Projects in 2025

Development of the Greenhouse Gas (GHG) Inventory

Smothong Group Public Company Limited and its subsidiaries are committed to serious management of greenhouse gas emissions in accordance with Sustainable Development (ESG) principles. The Company has developed a Greenhouse Gas Inventory and underwent Third Party Verification by an external agency.

Currently, the Group and its subsidiaries are in the process of applying for Carbon Footprint for Organization (CFO) certification from the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO). The scope includes Scope 1, 2, and 3 emissions under the Operational Control approach, covering all seven types of greenhouse gases: Carbon dioxide (CO_2), Methane (CH_4), Nitrous oxide (N_2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulfur hexafluoride (SF_6), and Nitrogen trifluoride (NF_3). Certification is expected to be granted by April 2026.

Goals	Strategies	2025 Performance Results
• Number of findings from CFO verification not to exceed 5 items.	1. Control data collection methods. 2. Conduct internal verification of data sets.	Findings from CFO verification did not exceed 5 items.

Direct and Indirect Greenhouse Gas Emissions (Scope 1, 2, and 3)

Branch	Unit	Scope 1	Scope 2	Scope 3	GHG Emission Intensity (TonCO2e/ton Product)	Ozone Depleting (KgCFC11e)
SMOH, SMO2	$TonCO_2e$	17,968	204	33,516	0.5576	0.0000
SMO1	$TonCO_2e$	31,745	701	29,028	0.6444	0.9130
SMO4	$TonCO_2e$	4,627	561	12,081	0.6338	0.0000
AL Palm	$TonCO_2e$	27,370	829	22,668	0.6963	0.7480
MGP	$TonCO_2e$	8,135	195	34	0.0005	1.5400

Note: GWP of AR5 is used.

Smothong Group Public Company Limited and its subsidiaries calculate greenhouse gas emissions intensity per production unit by aggregating emissions from Scope 1, 2, and 3. The Company utilizes ozone-depleting substances, specifically R22 refrigerants.

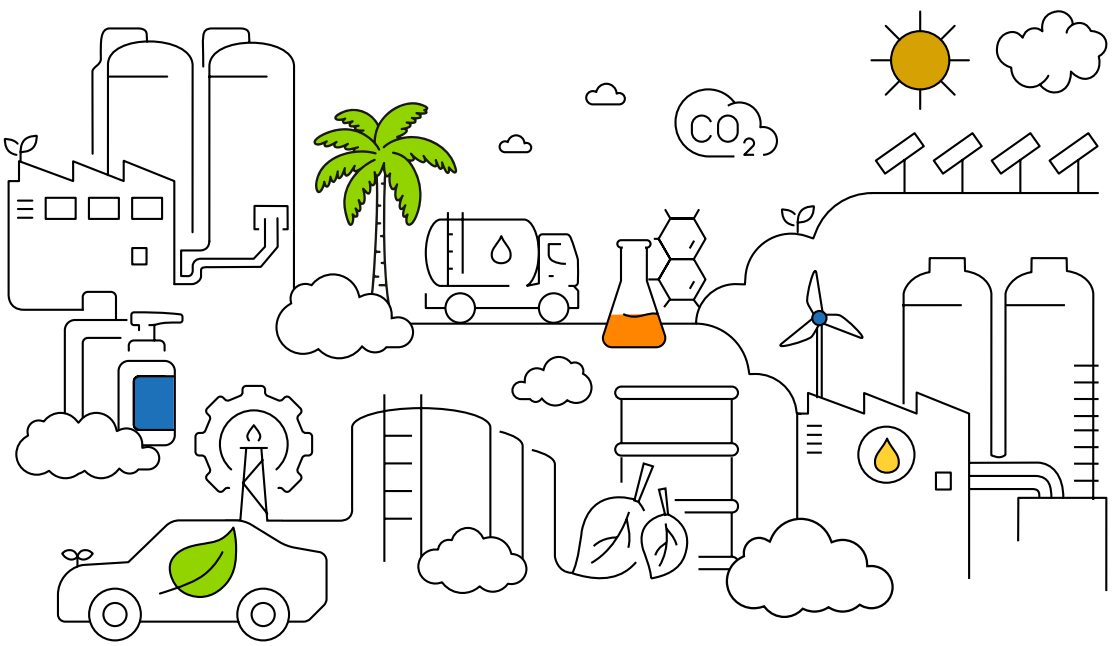
Solar Energy Project

The Company prioritizes the use of solar energy by installing Solar Rooftops on the office buildings at the Head Office and Tha Chana Branch (on May 18, 2025), following the installation at the Saraburi Branch (on June 3, 2024). Solar energy is a clean, inexhaustible renewable energy source that helps reduce greenhouse gas emissions and air pollution caused by fossil fuel combustion. Furthermore, it offers potential for electricity cost savings, enhances energy security, and supports economic growth.

Solar Energy Consumption Data

Branch	Solar Electricity Consumption	
	Kilowatt-hour (kWh)	Megajoule (MJ)
SMOH	58,410	210,276
SMO4	22,500	81,000

In 2025, the Company's combined solar electricity consumption from the Head Office and Saraburi Branch totaled 80,910 kWh (291,276 MJ). This represents a solar-to-grid (PEA) electricity consumption ratio of 1.40%. Furthermore, this initiative successfully reduced greenhouse gas emissions by 38,432.25 Kilograms of Carbon Dioxide Equivalent per year.



Water and Wastewater Management

Smothong Group Public Company Limited and its subsidiaries prioritize the management of water and wastewater generated within their factories. Water is a critical resource in the supply chain of the crude palm oil extraction process. Any water scarcity could significantly disrupt operations; conversely, improper water management could lead to water pollution and negatively impact the surrounding environment. Consequently, the Company must manage its water usage and wastewater treatment efficiently to reinforce its commitment to environmental responsibility and the sustainability of neighboring communities.

The Group possesses its own raw water sources that are sufficient for its operations, eliminating the need to rely on or share natural water resources with surrounding communities. This independence mitigates the risk of water resource conflicts, thereby protecting and enhancing the organization's corporate image.

Goals	Strategies	2025 Performance Results
Reduce water consumption in the production process.	Recirculate and reuse water from the production process (Reuse).	Recycled water volume: 37 Megaliters.
Zero incidents of wastewater quality parameters non-compliant with legal standards.	Continuously monitor and develop the wastewater treatment system for maximum efficiency.	The number of non-compliant wastewater quality parameters was 0.

Corporate Water Withdrawal Data

Branch	Water Withdrawal	All Areas (ML)	Water Stress Level
SMO1	**Water Source**		
	Surface Water	387	Very Low (Surat Thani)
	Clarified Water (TDS ≤1,000 mg/L)		
SMOH & SMO2 & MGP	**Water Source**		
	Surface Water	323	Very Low (Surat Thani)
	Clarified Water (TDS ≤1,000 mg/L)		
SMO4	**Water Source**		
	Surface Water	N/A	Low (Nong Khae)
	Clarified Water (TDS ≤1,000 mg/L)		
AL Palm	**Water Source**		
	Surface Water	238	Very Low (Chumphon)
	น้ำใส (TDS ≤1,000 mg/L)		

Notes:
1. Saraburi Branch: Data for total water withdrawal is unavailable as there are no meters installed to measure the volume of water withdrawal at this location.
2. Head Office (SMOH), Tha Chana Branch (SMO2), and Mitprasong Green Power Co., Ltd. (MGP): These entities are located within the same premises and share the same water source.
3. ML stands for Megaliters

Wastewater Discharge Data

Branch	Water Withdrawal	All Areas (ML)	Water Stress Level
SMO1	Water Source		
	Surface Water	0	Very Low (Surat Thani)
SMOH & SMO2 & MGP	Water Source		
	Surface Water	0	Very Low (Surat Thani)
SMO4	Water Source		
	Surface Water	0	Low (Saraburi)
AL Palm	Water Source		
	Surface Water	0	Very Low (Chumphon)

Note: 1. The Head Office (SMOH), Tha Chana Branch (SMO2), and Mitprasong Green Power Co., Ltd. (MGP) are located within the same premises and share a common water source.

Internal Water Consumption Data

Branch	Water Withdrawal	All Areas (ML)	Water Stress Level
SMO1	Water Source		
	Surface Water	387	Very Low (Surat Thani)
	Clarified Water (TDS ≤1,000 mg/L)		
SMOH & SMO2 & MGP	Water Source		
	Surface Water	323	Very Low (Surat Thani)
	Clarified Water (TDS ≤1,000 mg/L)		
SMO4	Water Source		
	Surface Water	N/A	Low (Saraburi)
	Clarified Water (TDS ≤1,000 mg/L)		
AL Palm	Water Source		
	Surface Water	238	Very Low (Chumphon)
	Clarified Water (TDS ≤1,000 mg/L)		

Notes: 1. Saraburi Branch: Data for total water consumption is unavailable as there are no meters installed to measure water usage at this location.

2. Head Office (SMOH), Tha Chana Branch (SMO2), and Mitprasong Green Power Co., Ltd. (MGP): These entities are located within the same premises and share a common water source.

3. ML stands for Megaliters

The water used in the production process is sourced entirely from surface water, with Total Dissolved Solids (TDS) levels of less than 1,000 mg/L. The Company maintains a Zero Discharge policy, ensuring no water is released outside the factory premises; all water is retained and stored in the Company's final treatment pond for internal reuse. As shown in the table, the Total Water Withdrawal for 2025 and the Total Water Consumption are equal at 949 Megaliters. The total water consumption intensity across all areas is 0.03 ML per ton of product.

Management Approach

1. Minimize internal water consumption by recirculating and reusing water from the production process within the factory.
2. Wastewater management through the treatment of effluents to meet legal quality standards, utilizing efficient and modern treatment technologies. The Company also conducts regular monitoring and testing of effluent quality at various points within surrounding communities at least once a month.

Wastewater Management

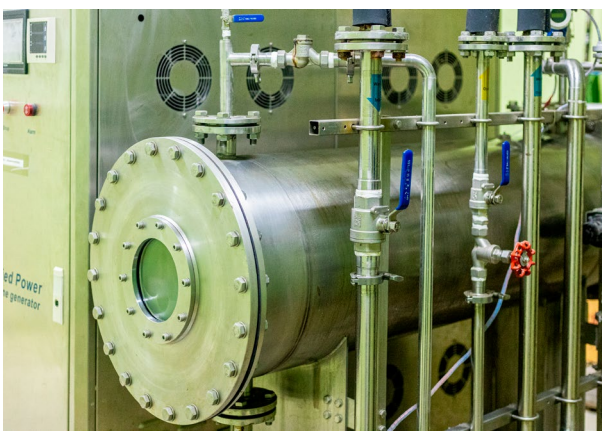
The Company utilizes standardized, efficient, and environmentally friendly tools and technologies for wastewater treatment to ensure effluent properties comply with legal standards before being pumped into the Company's designated containment areas and oil palm plantations. Furthermore, the Company monitors water quality at various points within surrounding communities to ensure a robust process for protecting the community against water pollution.

Wastewater from the production process is channeled into the Biogas system to generate electricity. This system is highly effective in wastewater treatment, capable of reducing Biological Oxygen Demand (BOD) by 90-95%, while also significantly mitigating odor issues in the vicinity of the factory.

After exiting the Biogas system, the wastewater is transferred to the treatment plant. The Company employs treatment technologies specifically suited to the wastewater characteristics to achieve maximum efficiency. For instance, Stabilization Ponds are used to control pH levels and decompose organic matter following the sedimentation of remaining solids. This system consists of Anaerobic ponds, Facultative ponds, and Maturation ponds. Subsequently, the stabilized wastewater is sent to the Ozonation System.

Ozonation System

This technology is implemented within the factory to treat wastewater without producing toxic by-products. The use of ozone to decompose organic matter has been found to reduce organic toxicity and enhance biodegradability. This technology is currently utilized at both the Phanom and Tha Chana branches.



Key Projects in 2025

Water Recirculation and Reuse Project

The Company has implemented a project to recirculate high-quality treated water from the production process for reuse in other departments to reduce overall internal water consumption. Examples of these initiatives include recirculating Condensate water from the kernel drying fans for use in the hot water tanks of the oil recovery department, redirecting Condensate water from the Boiler, Turbine, and Vacuum pumps to the oil recovery department's hot water tanks, and recycling cooling water from the Cooling Turbine back into the Company's raw water reservoir. In 2025, **the total volume of water recirculated and reused from the production process amounted to 37 Megalitres.**

Waste and By-product Management

The Company manages waste based on Circular Economy principles, following our mission to innovate and develop new ways to maximize the value of by-products. Under the concept "Make Waste to the Best Value," we focus on utilizing all production outputs efficiently. In the crude palm oil extraction process, various by-products are generated, such as:

- Long Fiber, Palm Fiber, and Palm Shells: These three types of by-products are biomass sources ideal for renewable energy production. They possess heating values of 17.86 MJ/kg, 17.62 MJ/kg, and 18.46 MJ/kg, respectively, making them excellent fuels for generating heat and electricity in biomass power plants.
- Decanter Cake: A by-product of the separation process between crude palm oil and sludge. It is rich in essential nutrients and protein, allowing it to be processed into organic fertilizer or used as an ingredient in animal feed.

Given the valuable properties of these by-products, the Company manages them to ensure maximum value creation. For example, Palm Fiber is used as fuel for boilers to produce steam, while Bottom Ash, Fly Ash, Decanter Cake, and Wastewater Sludge are repurposed as soil conditioners.

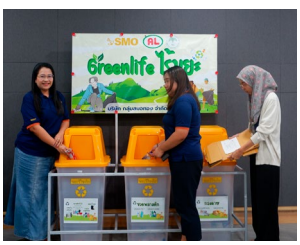
In addition to waste and by-products from the production process, the Company also manages waste generated by employees and office operations. The Company focuses on raising awareness among all staff members to ensure efficient waste management by adhering to the 3R Principles:

- Reduce: Employees are encouraged to use electronic files instead of paper to minimize consumption at the source.
- Reuse: The Company has implemented a project to recirculate and reuse water from the production process within the factory, and promotes the use of double-sided (reuse) paper in office tasks.
- Recycle: The Company fosters waste segregation through the "Greenlife Zero Waste" project, which encourages employees to properly sort recyclable materials.

These initiatives aim to reduce total waste volume, conserve natural resources, and mitigate environmental impacts, ultimately leading to long-term sustainability.

Key Projects in 2025

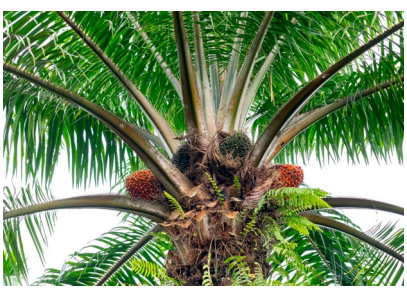
Greenlife Zero Waste Project



"Greenlife Zero Waste" is a project established by the Company to promote the segregation of recyclable waste generated within the organization. Sorting mesh containers have been installed at various points with clear signage, making it easy to dispose of and separate recyclable materials. In 2025, **the total volume of recycled waste reached 3,553 kilograms.**

Sustainable Raw Material Procurement

Smothong Group Public Company Limited and its subsidiaries prioritize sustainable raw material procurement, focusing on environmental, social, and governance (ESG) responsibility. The Company's primary raw material is oil palm.



Currently, global demand for palm oil is increasing, leading to extensive plantation expansion worldwide. This expansion may result in deforestation, impacting the environment and biodiversity. Furthermore, labor exploitation concerns affect society and local communities, leading to palm oil boycotts in various regions, particularly in Europe.

Recognizing these issues, the Company supports smallholder oil palm farmers by establishing community enterprises to apply for "Roundtable on Sustainable Palm Oil (RSPO)" membership. The Company provides training to ensure farming practices meet these standards, leading to sustainable palm oil production that covers economic, social, and environmental dimensions. The goal is to ensure members produce oil palm safely for themselves and society, remain legally compliant, and achieve maximum efficiency and benefits.

Activity: Providing training and knowledge to farmers on oil palm cultivation in accordance with sustainability standards.

"Roundtable on Sustainable Palm Oil : RSPO"

The 7 Principles of RSPO

Sustainability Pillar	Principle
Prosperity	1. Behave ethically and transparently.
	2. Operate legally and respect rights.
	3. Optimize productivity, efficiency, positive impacts, and resilience.
People	4. Respect community and human rights and deliver benefits.
	5. Support smallholder inclusion.
	6. Respect workers' rights and conditions.
Planet	7. Protect, conserve, and enhance ecosystems and the environment.

The Company has established 3 Community Enterprises to apply for RSPO membership:

1. Sustainable Oil Palm Production Community Enterprise (Tha Chana–Chaiya)
2. Smothong Sustainable Oil Palm Production Community Enterprise
3. Sustainable Oil Palm Production Community Enterprise (Ban Nong Rong)

RSPO Membership and Oil Palm Plantation Area Data 2025

Group	Number of Members (Persons)		Oil Palm Plantation Area (Rai)		Oil Palm Quota (Tons)
	Certified	Pending Certification	Certified	Pending Certification	
Sustainable Oil Palm Production Community Enterprise (Tha Chana-Chaiya)	360	• 42 (Existing members adding plots)	11,050.40	1,114.18	37,981.76
Smothong Sustainable Oil Palm Production Community Enterprise	196	• 25 New members	7,409.75	829.75	23,510.40
Sustainable Oil Palm Production Community Enterprise (Ban Nong Rong)	-	- 5 Existing members adding plots	-	3,910	-

Air Pollution Management

Smothong Group Public Company Limited and its subsidiaries manage air quality by mitigating impacts at the source to prevent environmental and community disturbances. The Corporate Quality, Safety, Occupational Health, and Environmental Management Department is responsible for this data.

The Company has implemented standardized and high-efficiency air pollution treatment technologies within its factories, specifically the Electrostatic Precipitator (ESP) system.

The Electrostatic Precipitator (ESP) is a device that utilizes electrical force to separate airborne particles or dust. By imparting an electric charge to the particles and passing them through an electrostatic field, the particles migrate toward collecting plates with the opposite electrical potential. The ESP is highly efficient, capturing over 98% of particles smaller than 1 micron, while maintaining low pressure loss and the ability to handle hot gases.

To maximize air pollution treatment efficiency, the Company employs a Multi-Cyclone system (centrifugal dust collector/dry dust cone) in conjunction with the ESP system. Flue gas from biomass combustion is first directed into the Multi-Cyclone system, which effectively separates larger dust particles exceeding 10 microns. The gas is then channeled to the high-efficiency ESP system to capture fine particles smaller than 1 micron before being released into the atmosphere.

The Company continuously monitors air emission rates and air quality at the source of pollution as required by law. The parameters under continuous surveillance include Carbon Monoxide (CO), Nitrogen Oxides (NOx), Sulfur Oxides (SOx), Particulate Matter up to 10 micrometers (PM 10), and Fine Particulate Matter (PM 2.5).

Air Quality Monitoring Results

Branch	Parameter	Unit	Measured Value	Standard Limit
SMO1	Carbon Monoxide(CO)	ppm	579	690
	Nitrogen Oxide(NOx)	ppm	147	200
	Sulfer Oxide(SOx)	ppm	1	60
	PM 2.5	µg/m³	0.026	37.05
	PM 10	mg/m3	6.086	120
SMO2	Carbon Monoxide (CO)	ppm	677	690
	Nitrogen Oxide (NOx)	ppm	102	200
	Sulfer Oxide(SOx)	ppm	1	60
	PM 2.5	µg/m³	0.02	37.05
	PM 10	mg/m3	3.92	120
SMO4	Carbon Monoxide (CO)	ppm	321	690
	Nitrogen Oxide(NOx)	ppm	197	200
	Sulfer Oxide(SOx)	ppm	46	60
AL palm	Carbon Monoxide (CO)	ppm	558	690
	Nitrogen Oxide(NOx)	ppm	191	200
	Sulfer Oxide (SOx)	ppm	1	60
	PM 2.5	µg/m³	0.05	37.05
	PM 10	mg/m3	8.87	120
MGP	Carbon Monoxide(CO)	ppm	544	690
	Nitrogen Oxide (NOx)	ppm	189	200
	Sulfer Oxide (SOx)	ppm	<1	60
	PM 2.5	µg/m³	0.02	37.05
	PM 10	mg/m3	3.92	120

Note: 1. The standard limits for all three types of gases are based on the Notification of the Ministry of Industry prescribing the values of air pollutants emitted from factories, B.E. 2549 (2006).

Based on the air quality monitoring data across all branches, the measured values do not exceed the legal standard limits. The Company also monitors fine particulate matter (PM 2.5 and PM 10) within local communities to ensure environmental performance and provide assurance to the community.

3.4 Sustainability Management: Social Dimension

Smothong Group Public Company Limited and its subsidiaries recognize the importance of operating with social responsibility, ranging from the community to the national level. Our business operations are conducted alongside a commitment to stakeholders throughout the supply chain—including employees, partners, customers, and surrounding communities—to achieve sustainable development.

Welfare and Compensation

The Group prioritizes the quality of life of all employees, particularly regarding fair wages and compensation. The Company is committed to providing fair remuneration, ensuring that wages are not less than the minimum wage prescribed by law to support a sufficient standard of living. Furthermore, we provide additional welfare benefits beyond legal requirements to all employees equally.

Management Approach

1. Establish appropriate compensation guidelines for all employees and provide equal benefits and welfare across all levels.

Goals	Strategies	2025 Performance Results
Local employment exceeds 30% annually	Establish guidelines for prioritizing the recruitment of personnel residing in the regions where the factories are located.	85% of employees are residents of the Southern region.
Average monthly employee turnover rate not exceeding 2%	• Fair compensation and welfare benefits. • Promoting Work-Life Balance. • Fair and transparent performance appraisals. • Implementation of a robust employee satisfaction assessment system.	The average monthly voluntary turnover rate was 1.47%.

Performance Results

The Company is committed to creating an equal working environment based on the principle of Equal Pay for Equal Work, where compensation is determined by competence, experience, and job nature. Gender is not a limiting factor in determining remuneration. The organization's ratio of basic salary for women to men is presented in the table below:

Basic Salary Ratio (Women to Men) by Level

Level	Ratio				
	SMOH	SMO1	SMO2	SMO4	AL palm
Operational Level	0.92	0.91	0.85	1.03	0.85
Management Level	0.90	0.83	0.82	0.62	0.96

Note: MGP has a ratio of 0 because the company employs only 6 personnel, all male.

Based on the table, the basic salary ratio of women to men is close to 1, demonstrating the organization's commitment to gender equality. In certain branches where the ratio may deviate slightly from 1, this is attributed to differences in tenure and professional experience. However, the organization conducts annual salary structure reviews to further bridge the gender pay gap and ensure even greater parity in the future.

The Company's recruitment process adheres to fair hiring principles and is free from all forms of discrimination, with compensation aligned with personnel's knowledge and capabilities at all levels. In 2025, Smothong Group Public Company Limited and its subsidiaries had a total workforce of 240 employees. Notably, the proportion of new hires residing in the Southern region accounted for 85% of all new recruitment.

New Hire Employment Data 2025

Employment		Number (Persons)	Proportion (%)
Gender	Male	149	62%
	Female	91	38%
Age Group	Under 30 years old	147	61%
	30 - 50 years old	84	35%
	Over 50 years old	9	4%
Region	Northern Thailand	2	1%
	Central Thailand	31	13%
	Northeastern Thailand	2	1%
	Eastern Thailand	0	0%
	Western Thailand	0	0%
	Southern Thailand	205	85%

The Company provides welfare benefits based on the principles of fairness, equality, and inclusivity for employees at all levels, as follows:

Provident Fund (PVD): The Company provides a provident fund for all employees with at least 1 year of service who wish to enroll. The Company contributes to the fund at varying rates based on the employee's years of service (tenure).

Health Insurance: Group health insurance is provided to all employees who have successfully passed their probationary period.

Annual Health Check-up Project: The Company promotes the physical and mental well-being of its employees by encouraging healthy behavioral changes and self-care. To support this, the Company provides an Annual Health Check-up program for every employee within the organization.

Legal leave entitlements, including Annual Leave (Vacation), Personal Leave, and Maternity Leave

Employee Maternity Leave Data 2025

Maternity Leave		Eligible Employees (Female)	Employees Utilizing Maternity Leave
SMOH	Female	51	1
SMO1		62	1
SMO2		64	4
SMO4		23	2
AL palm		46	1
MGP		0	0

Notes: 1. The Company provides maternity leave benefits exclusively to female employees as per legal requirements. The data is based on the status as of December 31, 2025.

2. According to the Labor Protection Act (No. 9) B.E. 2568 (2025), which allows male employees to take leave for child care, one male employee utilized this right in December.

Smothong Group Public Company Limited and its subsidiaries provide 100% maternity leave benefits to female employees. In 2025, female employees who utilized their maternity leave rights accounted for 4% of the total female workforce. Following the enactment of the Labor Protection Act (No. 9) B.E. 2568, effective from December 7, 2025, which permits paternity/child care leave, one male employee exercised this right in December.

Employee Turnover

In 2025, the average monthly voluntary turnover rate for the Group was 1.47%. The Company remains committed to fostering strong employee-organizational relationships by enhancing the work environment and providing fair and appropriate welfare and compensation to ensure maximum benefits for all personnel.

Employee Turnover Data 2025

Employment		Number (Persons)	Proportion (%)
Gender	Male	82	66%
	Female	43	34%
Age Group	Under 30 years old	62	50%
	30 - 50 years old	58	46%
	Over 50 years old	5	4%
Region	Northern Thailand	0	0%
	Central Thailand	14	11%
	Northeastern Thailand	4	3%
	Eastern Thailand	0	0%
	Western Thailand	0	0%
	Southern Thailand	107	86%

Human Rights and Labor Standards

The Company is committed to operating with respect for and the promotion of fundamental human rights, emphasizing the equal value and dignity of all individuals. Consequently, Smothong Group Public Company Limited and its subsidiaries have established a sustainable human rights and labor standards policy to ensure organization-wide adherence.

Goals	Strategies	2025 Performance Results
Zero complaints regarding discrimination	• Establish a non-discrimination policy. • Provide employee training on non-discrimination and respecting diverse opinions.	No complaints regarding discrimination were found in 2025.
Zero child and forced labor	• Establish a policy against child and forced labor. • Enhance screening during recruitment, including for partners, vendors, and subcontractors. • Increase grievance channels for reporting child or forced labor issues. • Develop a response plan for cases involving child or forced labor.	No instances of child or forced labor were found.

Management Approach

In 2025, the Company announced and reviewed its Policy for Driving Organizational Sustainability in Human Rights and Labor Standards. These guidelines are aligned with the United Nations Guiding Principles on Business and Human Rights (UNGP) as follows:

1. Manage personnel with fairness, providing training and capability development, including ensuring happiness at work to drive the organization effectively.
2. Treat employees and workers of the Company, its subsidiaries, and/or partners by considering human dignity, innate fundamental rights and freedoms, and equality without discrimination based on race, religion, gender, skin color, language, ethnicity, or any other status.
3. Promote compliance with human rights principles by conducting business activities according to the United Nations Guiding Principles on Business and Human Rights, including protection, respect for human rights, and remediation, as well as respecting local customs and traditions.
4. Oversee and protect the safety of employees and workers, and the assets of the Company and its subsidiaries, without affecting the rights and safety of others, including protecting personal rights, maintaining confidentiality, data disclosure, and the utilization of personal data.
5. Prohibit the employment of labor under 18 years of age and illegal labor, covering employees and workers of partners and/or stakeholders.

Performance Results

Equality, Diversity, and Equal Treatment

The Company prioritizes creating an open working environment for everyone by adhering to the principles of equality, diversity, and equal treatment for all employees, enabling them to grow and develop together. Additionally, the Company supports employees with diverse ethnicities and religions.

Workforce Diversity

Smothong Group Public Company Limited and its subsidiaries had a total of 778 personnel as of December 31, 2025, categorized by gender, age, and level across the Group as follows:

Total Employee Data Categorized by Gender

Branch	Number of Employees (Persons)		Proportion of Male Employees to Total (%)	Proportion of Female Employees to Total (%)
	Male	Female		
SMOH	46	51	47	53
SMO1	162	62	72	28
SMO2	146	64	70	30
SMO4	56	23	71	29
AL palm	166	46	72	28
MGP	6	0	100	0

The proportion of female to male employees across the entire organization is 0.46, with the majority being male (68% of total employees). This is because most production processes require labor and specific skills traditionally associated with male workers more than female workers. However, for the head office, which has no production processes, the proportion of female to male employees is 1.11, demonstrating the organization's commitment to gender equality in employment.

Total Employee Data Categorized by Age

Branch	Number of Employees (Persons)		
	Under 30 years old	Between 30-50 years old	Over 50 years old
SMOH	24	63	10
SMO1	71	139	14
SMO2	83	113	14
SMO4	30	45	4
AL palm	67	91	4
MGP	2	4	0

Total Employee Data Categorized by Level

Branch	By Level	By Gender (Persons)		By Age (Persons)			Proportion to Total Employees per Branch (%)
		Male	Female	<30 years	30-50 years	>30 years	
SMOH	Manager & Higher	13	11	1	15	8	25
	Supervisor	8	15	4	18	1	24
	Officer / Operator	25	25	19	30	1	51
SMO1	Manager & Higher	0	0	0	0	0	0
	Supervisor	9	12	3	15	3	9
	Officer / Operator	153	50	68	124	11	91
SMO2	Manager & Higher	0	0	0	0	0	0
	Supervisor	8	8	1	15	0	8
	Officer / Operator	138	56	82	98	14	92
SMO4	Manager & Higher	1	0	0	1	0	2
	Supervisor	7	2	1	7	1	11
	Officer / Operator	48	21	29	38	2	87
AL palm	Manager & Higher	0	0	0	0	0	0
	Supervisor	7	2	0	9	0	6
	Officer / Operator	109	44	67	82	4	94
MGP	Manager & Higher	0	0	0	0	0	0
	Supervisor	1	0	0	1	0	17
	Officer / Operator	5	0	2	3	0	83

Based on the data tables, it is evident that the total employee distribution by gender, age, and level is diverse, demonstrating the Group's non-discrimination practices.

Personnel Potential Development

The Company considers personnel to be a vital and valuable resource, essential for driving the organization toward sustainability. Therefore, the Company is committed to continuous personnel development and effective personnel management by organizing training sessions to enhance the potential of employees within the organization.

Goals	Strategies	2025 Performance Results
• Average training hours per person per year of no less than 8 hours.	• Provide opportunities for employees to propose desired training topics. • Implement systematic knowledge management.	For the most part, the average training hours per person per year were no less than 8 hours. However, some branches had an average of fewer than 8 hours, which will be improved in the following year.

Management Approach

1 Create a positive organizational culture by listening to employee feedback and recognizing the importance of treating all employees with equality, equity, and consideration for the cultural diversity of everyone in the organization.

2. Promote continuous personnel potential development through training courses that support and are appropriate for each job function, ensuring employees develop expertise and can perform their duties with maximum efficiency.

Performance Results

Personnel potential development is considered the heart of efficient and sustainable organizational development. Therefore, the Company focuses on enhancing the knowledge, skills, capabilities, and attitudes of employees to ensure they can perform effectively, respond to changes, and grow alongside the organization.

Employee Training Data

Branch	Average Annual Training Hours per Employee	Average Training Hours per Female Employee	Average Training Hours per Male Employee
SMOH	8	11	5
SMO1	10	11	10
SMO2	6	4	5
SMO4	6	4	7
AL palm	4	0	4
MGP	10	10	10

Employee Training Data Categorized by Level

Branch	Average Training Hours per Operational Level	Average Training Hours per Supervisory Level	Average Training Hours per Managerial Level and Above
SMOH	7	11	8
SMO1	7	29	0
SMO2	4	10	0
SMO4	5	11	0
AL palm	12	12	0
MGP	9	25	0

Each branch categorizes training into three types: Core Courses, Supplementary Courses, and Potential Development Courses. Additionally, there are programs for upskilling employees and transition assistance programs to support career advancement. In 2025, the following courses were included:

- **Creative Organizational Culture for Positive Image and Sustainable Development**
- **Leadership & People Skills for Junior and Middle Management (Classroom Training)**
- **Employee Motivation and Team Leadership for Organizational Success**
- **Inclusive Change Management**
- **Professional Psychology Management and Supervision**
- **Psychology and Communication Skills for Supervisors to Achieve Team KPIs**

Smothong Group Public Company Limited and its subsidiaries conduct performance appraisals and career development reviews for employees at least twice a year. Currently, 100% of all employees receive these performance evaluations.

Employee Training

Training Course: "Introduction to Sustainability Reporting and the GRI Standards Global (Understanding with ESG)"

Management recognizes the importance of laying a foundation for the organization to drive business systematically according to sustainability guidelines. Consequently, employees were enrolled in the "Introduction to Sustainability Reporting and the GRI Standards Global (Understanding with ESG)" course. The primary goal is to build an understanding of the connection between ESG (Environment, Social, Governance) dimensions and international reporting standards such as GRI. This enables participants to identify Materiality issues and disclose information to stakeholders transparently and credibly, thereby building investor confidence through operations that are truly responsible to society and the environment.

2025 Awards

A.L. Palm Co., Ltd. received the National Labour Skill Standard certification plaque.

A.L. Palm Co., Ltd., a subsidiary under the supervision of Samothong Group Public Company Limited, received the National Labour Skill Standard certification plaque from the Department of Skill Development, Ministry of Labour. This achievement is a source of pride for the Company, reflecting its continuous commitment to developing the potential of its personnel.

Occupational Health, Safety, and Working Environment

Smothong Group Public Company Limited and its subsidiaries recognize the importance of operating with safety for both the physical and mental health of employees. This is achieved through risk management systems, the cultivation of a safety culture, and legal compliance to ensure a safe working environment, good health, and quality of life, free from work-related illnesses or injuries.

Effective occupational health and safety management helps reduce costs, builds a positive corporate image, and fosters social and environmental responsibility, which are the core essentials for stable, long-term business operations.

Goals	Strategies	2025 Performance Results
Zero fatalities or permanent disabilities resulting from work-related accidents.	• Establish an Occupational Health and Safety policy and conduct continuous reviews. • Provide ongoing occupational health and safety training for employees. • Establish a supervisory committee to continuously monitor results.	The rate of fatalities or permanent disabilities resulting from work-related accidents was 0.

Management Approach

1. Define safety and occupational health policies and communicate them to all employees within the organization for acknowledgment and strict compliance.
2. Stimulate awareness and cultivate a culture of safety, occupational health, and a good working environment.
3. Care for and prioritize the safety, occupational health, and working environment of employees, partners, and visitors to create a safe workplace, preventing loss of life and property, as well as injuries or illnesses resulting from work, and encouraging creativity and performance to full potential and capability.
4. Set a “Zero” target for work-related accidents and elevate safety standards to be higher than those required by law.
5. Implement accident investigation and analysis processes, and prepare accident reports at least once a month to prevent risks, improve operational efficiency, and strengthen a safe working environment.
6. Conduct inspections and provide occupational health and safety knowledge to all persons entering to perform work within the company every time before starting work, to ensure that those performing work strictly comply with occupational health and safety standards.

Performance Results

In the event of an injury or work-related accident, an accident investigation and analysis are conducted with the participation of the Occupational Safety, Health, and Environment Committee (OSHE) and the Risk Management Committee (Corporate). Accident reports are prepared in accordance with operating procedures referenced by law.

Regarding the control of occupational health and safety, coverage has been extended to employees, contractors, and subcontractors to ensure they have the knowledge and understanding to perform work consistently and efficiently. The proportion of employees, contractors, and subcontractors covered by the occupational health and safety management system is 100% (GRI 403-8)

Occupational Injury Rate Data per Working Hours

Branch	LTIFR
SMOH	0.00
SMO1	3.00
SMO2	3.67
SMO4	3.93
AL palm	2.70
MGP	0.00
SMO Group	2.83

Note: LTIFR (Lost Time Injury Frequency Rate) refers to the frequency rate of work-related injuries resulting in one or more days of lost time per one million hours worked.

The data covers work-related injuries, which serve as an indicator of the level of harm sustained by workers. The occupational disease rate for all employees is 0.

Activities and Training for Occupational Health, Safety, and Working Environment

7S Inspection Activities

The Company has implemented 7S inspections across office areas, factory zones, and employee housing to verify how consistently and effectively employees adhere to the principles of Sort, Set in Order, Shine, Standardize, Sustain, Smart (Appearance), and Spirit (Environment). A working group has been established to conduct 7S inspections at least once a month. Inspection results are presented to employees monthly for acknowledgment and corrective action. To ensure effective operations, KPIs have been established for this area to support project implementation.

"Firefighting and Fire Evacuation" Training Course

The Company prioritizes establishing basic safety and reducing loss of life and property during internal emergencies. The primary goal is to provide all personnel with knowledge regarding fire theory and fire types, alongside skills in using firefighting equipment correctly and safely. The course objectives focus on preparing evacuation plans, designating assembly points, and systematic coordination. This ensures participants can suppress initial incidents calmly, reduce panic, and evacuate dangerous areas effectively according to legal safety standards.

"Basic Firefighting" Training Course

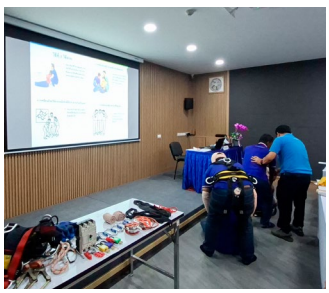
The Company recognizes that basic firefighting training is critically important as the first line of defense to suppress fire incidents before they escalate and cause widespread damage. The primary goal is to provide personnel with foundational knowledge of fire theory and the ability to classify fire types to select appropriate firefighting equipment. The course objectives focus on practical training to ensure participants develop skills, expertise, and composure during emergencies. This not only protects the lives and property of the organization but also ensures compliance with occupational safety laws to create a confident and safe environment for all employees.

"Basic First Aid" Training Course

The Company organizes "Basic First Aid" training with the primary goal of providing personnel with the correct knowledge and skills to assess situations and provide timely assistance to victims. The course objectives focus on practical training in Basic Life Support (CPR), the use of Automated External Defibrillators (AED), as well as first aid for wounds, fractures, or choking. This helps participants gain confidence, maintain composure, and make safe decisions to assist others according to international standards, thereby creating a workplace environment that prioritizes welfare and reduces risks from unforeseen incidents within the organization.

"Training Course for 4 Roles in Confined Space Operations"

The primary goal is to ensure that practitioners in all four roles—Approver, Supervisor, Assistant, and Entrant—have a clear understanding of their specific duties and responsibilities and can coordinate systematically. The course objectives focus on skill training in risk assessment, atmospheric testing, the use of Personal Protective Equipment (PPE), and emergency rescue planning. This ensures that work in confined spaces is performed correctly according to international standards and that personnel can exit safely, sustainably reducing injury and fatality statistics from confined space operations.



2025 Awards

A.L. Palm Co., Ltd., a subsidiary of Samothong Group Public Company Limited, received the award for the "Project to Accelerate the Development of Proactive Management and Administration Systems for Occupational Safety, Health, and Working Environment in Establishments."

Community and Social Development Engagement

The Company recognizes that community and social development is a vital process in building strong and sustainable communities. Therefore, the organization's operations prioritize social and environmental care alongside business operations by organizing CSR (Corporate Social Responsibility) activities. These initiatives aim to provide benefits to stakeholders throughout the entire supply chain—including employees, customers, and the broader community—ensuring development that truly responds to community needs.

Goals	Strategies	2025 Performance Results
Conduct at least 2 Community CSR projects per branch per year.	• Establish policy-level targets. • Select projects based on community needs. • Transfer the organization's specialized knowledge to the community.	Conducted at least 2 Community CSR projects per branch per year.

Management Approach

The Company has established policies for community and social development engagement, focusing on the following practices:

1. Define policies and guidelines to ensure responsible community operations across all activities throughout the value chain, fostering sustainable coexistence with the community.
2. Participate in social creation and improve the quality of life to enable self-reliance by employing local labor and sourcing oil palm raw materials from the community, including supporting sustainable and environmentally friendly oil palm and crude palm oil production that is responsible to society and the community, such as the Samothong Community Enterprise Group for Sustainable Oil Palm Production and the Community Enterprise Group for Sustainable Oil Palm Production (Tha Chana-Chaiya).
3. Respond to needs and ensure customer satisfaction regarding both the quantity and quality of products and services in full compliance with contracts.
4. Promote the participation of the community and relevant stakeholders through open listening, transparent and constructive consultation, equal treatment, and respect for differences.
5. Cooperate with government agencies, industrial associations, business partners, civil society, and other stakeholders to develop and apply sustainability standards and practices.

Performance Results

Social Activities and Community Engagement

In 2025, the Company conducted comprehensive social activities and created community engagement through ongoing CSR initiatives. These efforts aim to give back to society and foster sustainable, positive relationships between the organization and the community.

CSR Activity Examples

Vegetable Oil Donation for the 2025 New Year Festival

Company representatives donated vegetable oil to residents in the vicinity of the Tha Chana branch factory for the 2025 New Year Festival, reaching a total of 250 households to foster positive relationships between the community and the organization.

Donation of Relief Bags to People with Disabilities, Bedridden Patients, the Underprivileged, and the Elderly

The Company regularly provides relief bags to people with disabilities, bedridden patients, the underprivileged, and the elderly in the Khlong Cha-un Subdistrict, Phanom District, Surat Thani Province—the location of the Phanom branch factory—on a monthly basis to give back to the surrounding community.

Educational Scholarships and Gifts for National Children's Day

Company representatives presented 50 educational scholarships to schools in the Nong Rong District, Saraburi Province, and provided gift support for 2025 National Children's Day activities, as part of the commitment to supporting education for local youth.

Support and Donations for the 2025 Songkran Festival

The Company donated consumer goods, including fans, vegetable oil, and beverages, to Wat Sri Prathum and the Kum Hak and Nong Rong Subdistrict Administrative Organizations. These donations supported the establishment of public service checkpoints during the 2025 Songkran Festival.

Participation and Drinking Water Donation for National Labour Day

Company representatives participated in the 2025 National Labour Day and National Occupational Safety Day project and donated drinking water to the Chumphon Provincial Labour Protection and Welfare Office.

Provision of Face Masks and Consumer Goods to the Community

Company representatives donated face masks and consumer goods to residents in the vicinity of the factory to foster positive relationships between the community and the organization.

Donation of Funds for Lighting Equipment at Wat Pa Tha Thai

The Company joined the Permanent Secretary of the Ministry of Labour in donating funds to purchase lighting equipment for Wat Pa Tha Thai, Khlong Pha Subdistrict, Tha Chana District, Surat Thani Province. This initiative was part of the "Labour Graduates United: Volunteer Community Development and Royal Institution Honoring" project.

Sharing Kindness with Students at Wat Thanyaram School

The Company, in collaboration with HOG Phuket Chapter Thailand, donated 10 cases of vegetable oil to Wat Thanyaram School, Na Pho Subdistrict, Sawi District, Chumphon Province.

Assistance for Thai Soldiers and Displaced Persons from the Thai-Cambodian Border Situation

The Company donated and supported consumer goods and dried food, in collaboration with the Thung Takrai Subdistrict Municipality, to assist Thai soldiers and displaced persons affected by the situation along the Thai-Cambodian border.

Supporting Sports Activities for Youth in Nearby Communities

The Company provided financial support for sports activities for youth in the communities surrounding the Tha Chana branch factory. This initiative aims to promote physical activity among local youth and strengthen positive relationships between the organization and the surrounding community.

Participating in Kathina and Phapa Robe-Offering Ceremonies and Providing Free Food Stalls (Alms Kitchen)

Company representatives participated in traditional Kathina and Phapa Robe-Offering ceremonies and organized free food stalls (Alms Kitchen). This initiative encourages the organization and its employees to engage in merit-making, cultivate a mindset of public service, and strengthen positive relationships between the organization and the surrounding community.

Support for Funds, Gifts, and Prizes for New Year Festival Activities

The Company provided budgetary support along with various gifts and prizes to the surrounding communities to deliver happiness and celebrate the New Year. These contributions served as a medium to create smiles and express gratitude for the cooperation and unity shown to the Company throughout

Budgetary Support for the Phapa Robe-Offering Ceremony

A.L. Palm Co., Ltd. provided budgetary support for the Educational Phapa Robe-Offering Ceremony, marking the 90th Anniversary of the founding of Wat Phang-un School, Sawi Subdistrict, Sawi District, Chumphon Province.

Provision of Relief Bags and Fuel to the Kusol Sattha Surat Thani Foundation

Recognizing the sacrifice of emergency medical and rescue volunteers who work 24 hours a day to ensure public safety, the Company donated relief bags and fuel to the Kusol Sattha Surat Thani Foundation. This support serves as a contribution to public charity missions and enhances the ability of rescue teams to reach incident sites promptly to assist victims.

Budgetary Support for the Construction of a Village Security Center

The Company provided budgetary support for the construction of a Village Security Center in the communities surrounding the Tha Chana branch. This initiative aims to improve the quality of life and enhance the long-term safety and security of local residents.

Financial Support for the Chumphon Provincial Labour Protection and Welfare Office

The Company provided financial support for welfare to the Chumphon Provincial Labour Protection and Welfare Office to promote cooperation between the private sector and government agencies in improving the quality of life for workers. This initiative aims to drive missions related to rights protection, fringe benefits, and the creation of good well-being for laborers in the area.

Number of Social Responsibility (CSR) Activities

Branch	Number of Activities (Times)
SMO1	42
SMO2	84
SMO4	46
AL Palm	41

Note: The Head Office and Mitprasong Green Power Co., Ltd. are included in the Tha Chana branch data as they are located within the same area.

Project: "Study on Composting from Organic Waste from the Raw Palm Oil Extraction Plant of Smothong Group Public Company Limited"

This project is a collaborative project between the Company and Prince of Songkla University, Surat Thani Campus, with the objective of studying the composting process of 4 types of organic waste materials from the factory, namely bottom ash, fly ash, wastewater sludge, and decanter sludge, in various ratios to provide knowledge on composting to the community and to pilot the distribution of organic waste materials to farmers who wish to utilize these organic materials as soil conditioners or organic compost.

Report Assurance

The environmental and social performance data has been audited and certified for accuracy and compliance with the GRI Standards (2021) at the AA1000AS (2018): Level 3: Type 2 Moderate Level of Assurance by an external auditor. As this report is the first to be prepared in accordance with the GRI Standards, there is no Restatement of information.

4. Management Discussion and Analysis (MD&A)

The analysis and explanation of the operating results of the conglomerate for the accounting periods of 2023, 2024, and 2025, as well as the analysis of the financial position of the conglomerate as at 31 December 2023, 31 December 2024, and 31 December 2025, were prepared based on the information contained in the financial reports audited by EY Office Limited.

During 2023 to 2025, Smothong Group Public Company limited and subsidiaries ("the conglomerate") underwent an internal restructuring to align with its business plan. The significant changes in the conglomerate's structure are summarized below:

(1) On 29 November 2023, the Executive Committee passed a resolution approving a joint investment with a business partner for the acquisition of a crude palm oil extraction plant, which was then under acquisition negotiations. The Executive Committee also approved the incorporation of Smothong Palm Oil (Kanchanadit) Co., Ltd. with a registered capital of THB 50.00 million, fully paid-up, in which the organization holds a 40.00% equity interest, to support the proposed acquisition plan. Subsequently, the Board of Directors' Meeting No. 1/2024, held on 4 January 2024, passed a resolution approving the aforementioned project.

(2) On 27 January 2024, the Board of Directors' Meeting No. 2/2024 passed a resolution approving the acquisition of 99.99% of the ordinary shares of A.L. Palm Co., Ltd. ("AL") from its existing shareholders. As a result, AL became a subsidiary of the Smothong Group.

(3) On 23 February 2024, the Board of Directors' Meeting No. 4/2024, held on the same date, passed a resolution approving the cancellation of the acquisition plan previously approved at the Board of Directors' Meeting No. 1/2024, held on 4 January 2024. As a result, Smothong Palm Oil (Kanchanadit) Co., Ltd., which had been established to support the proposed acquisition, was dissolved.

(4) On 10 May 2024, the Board of Directors' Meeting No. 5/2024 passed a resolution approving the dissolution of SMG Products Co., Ltd. due to changes in the business plan of the organization.

(5) On 15 March 2025, the 2025 Annual General Meeting of Shareholders passed the following significant resolutions:

1.) To approve the conversion of the conglomerate from a private limited company to a public limited company.

2.) To approve the change in the par value of ordinary shares from THB 100.00 per share for 6,884,000 shares to THB 1.00 per share, resulting in a total of 688,400,000 ordinary shares.

3.) To approve an increase in the registered capital by THB 231.60 million, thereby increasing the registered capital from THB 688.40 million to THB 920.00 million, through the issuance of 231.60 million newly issued ordinary shares with a par value of THB 1.00 per share, in order to support the Initial Public Offering (IPO).

During the period from 31 October to 4 November 2025, Smothong Group Public Company Limited conducted its Initial Public Offering (IPO) of 231.60 million newly issued ordinary shares. The shares, with a par value of THB 1.00 per share, were offered at an offering price of THB 5.40 per share. After deducting underwriting fees, selling expenses, and other expenses relating to the share offering, the net proceeds from the offering were approximately THB 1,193.33 million. The conglomerate's shares were listed on the Stock Exchange of Thailand under the ticker symbol "SMO" on 10 November 2025

In summary, as at 31 December 2025, the conglomerate comprised the parent company, Smothong Group Public Company Limited (the "Company"), and three subsidiaries, namely Mitprasong Green Power Co., Ltd. ("MGP"), A.L. Palm Co., Ltd. ("AL"), and Team Evolution Co., Ltd. ("TEAM").

However, among the changes in organizational structure during 2024, only one event had a material impact on the financial statements, as Smothong Palm Oil (Kanchanadit) Co., Ltd. and SMG Products Co., Ltd., both of which were dissolved during 2024, had not yet commenced commercial operations. The only event that had a material impact was the acquisition of shares in A.L. Palm Co., Ltd. ("AL") from its existing shareholders, in accordance with the resolution of the Board of Directors' Meeting No. 2/2024, held on 27 January 2024. As a result, AL became another subsidiary of the conglomerate. Accordingly, the conglomerate included AL's financial statements in the consolidated financial statements of the corporation from 2 February 2024 onwards. Following the fair value measurement of the identifiable assets acquired and liabilities assumed as at the acquisition date for the purpose of purchase price allocation ("PPA"), in accordance with Thai Financial Reporting Standard No. 3, Business Combinations, the conglomerate completed the allocation of the purchase price to the assets acquired and liabilities assumed. The net assets acquired amounted to THB 544.87 million, comprising assets of THB 548.21 million and liabilities of THB 3.33 million. As the total consideration transferred for the transaction amounted to THB 645.00 million, goodwill arising from the acquisition amounted to THB 100.13 million.

4.1 Operating Results Analysis

4.1.1 Total Revenue

For 2023, 2024, and 2025, the conglomerate's total revenue, comprising revenue from the crude palm oil and related products business, revenue from the biogas-fueled electricity generation and distribution business, and other income, amounted to THB 5,894.14 million, THB 6,261.09 million, and THB 9,934.54 million, respectively.

In 2023, the conglomerate recorded total revenue of THB 5,894.14 million, consisting of THB 5,752.10 million, or 97.59% of total revenue, from the crude palm oil and related products business; THB 130.98 million, or 2.22% of total revenue, from the biogas-fueled electricity generation and distribution business; and THB 11.07 million, or 0.19% of total revenue, from other income. The total revenue for 2023 decreased by THB 976.28 million, or 14.21%, from the previous year, primarily due to a decrease of THB 935.47 million, or 13.99%, in revenue from the crude palm oil and related products business as compared to the corresponding period of the previous year. The decrease was mainly attributable to a significant decline in crude palm oil prices, which is the principal product of the conglomerate's crude palm oil and related products business.

In 2024, the conglomerate recorded total revenue of THB 6,261.09 million, comprising THB 6,133.19 million, or 97.96% of total revenue, from the crude palm oil and related products business; THB 119.64 million, or 1.91% of total revenue, from the biogas-fueled electricity generation and distribution business; and THB 8.26 million, or 0.13% of total revenue, from other income. Total revenue increased by THB 366.95 million, or 6.23%, from 2023, primarily due to an increase of THB 381.09 million, or 6.63%, in revenue from the crude palm oil and related products business. The increase was mainly attributable to higher average crude palm oil prices during the year, despite a decline in sales volume. The increase in crude palm oil prices was driven by lower production in Indonesia and Malaysia, the world's major crude palm oil exporters, as a result of the El Niño phenomenon, particularly during the second half of 2024. In addition, although the conglomerate's oil extraction rate ("OER") declined during certain periods due to unusually hot weather in the summer of 2024, conditions subsequently returned to normal. Internally, the acquisition of A.L. Palm Co., Ltd. ("AL") in February 2024 also supported revenue growth. Following the acquisition, machinery improvements were carried out and completed in September 2024, after which AL commenced commercial operations with a production capacity of 60 tonnes of fresh palm fruit per hour for the crude palm oil and related products business and 2.13 megawatts for the biogas-fueled electricity generation business. However, in September 2024, a fire at the sterilizer section of the conglomerate's Tha Chana branch mill temporarily disrupted production until operations resumed in December 2024 following the installation of a replacement sterilizer. This disruption also affected Mitprasong Green Power Co., Ltd., resulting in a shortage of raw materials for biogas-based electricity generation and a temporary interruption in electricity sales to the Provincial Electricity Authority (PEA).

In 2025, the conglomerate recorded total revenue of THB 9,934.54 million, comprising THB 9,711.30 million, or 97.75% of total revenue, from the crude palm oil and related products business; THB 166.15 million, or 1.67% of total revenue, from the biogas-fueled electricity generation and distribution business; and THB 57.10 million, or 0.57% of total revenue, from other income. Compared with the previous year, total revenue increased by THB 3,673.45 million, or 58.67%. This increase was primarily attributable to a rise of THB 3,578.11 million, or 58.34%, in revenue from the crude palm oil and related products business. The increase was mainly driven by a higher sales volume of crude palm oil, which rose by 70,492 tonnes, or 47.05%, year-on-year, together with an increase in the average selling price of THB 1.15 per kilogram, or 3.28%. Sales volume and average selling prices of dried palm kernel also increased during the year. The increase in sales volume of crude palm oil and dried palm kernel was principally attributable to higher production capacity and improved raw material availability. In the corresponding period of the previous year, the mill of AL Palm Co., Ltd., which has a production capacity of 60 tonnes of fresh palm fruit per hour, representing 25% of the conglomerate's total production capacity, was still undergoing production process improvements. In contrast, in 2025, all crude palm oil mills of the conglomerate operated normally. In addition, Thailand's fresh palm fruit harvest increased

from the previous year due to favorable weather conditions and adequate rainfall, enabling to increase production for sale, while selling prices continued to be determined in accordance with market mechanisms. In addition, the conglomerate recognized other income of THB 44.54 million in 2025 from insurance claim proceeds, which was a one-time transaction. As a result of the foregoing factors, the conglomerate's total revenue increased significantly compared with the previous year.

For 2023, 2024, and 2025, the conglomerate's revenue structure, classified by business segment and other income, is presented below.

Revenue by business segment	2023		2024		2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Crude Palm Oil and Related Products Business	5,752.10	97.59%	6,133.19	97.96%	9,711.30	97.75%
Biogas-Fueled Electricity Generation	130.98	2.22%	119.64	1.91%	166.15	1.67%
Total Revenue from sales	5,883.08	99.81%	6,252.83	99.87%	9,877.45	99.43%
Other income/2 /3/4	11.07	0.19%	8.26	0.13%	57.10	0.57%
Total Revenue/3	5,894.14	100.00%	6,261.09	100.00%	9,934.55	100.00%

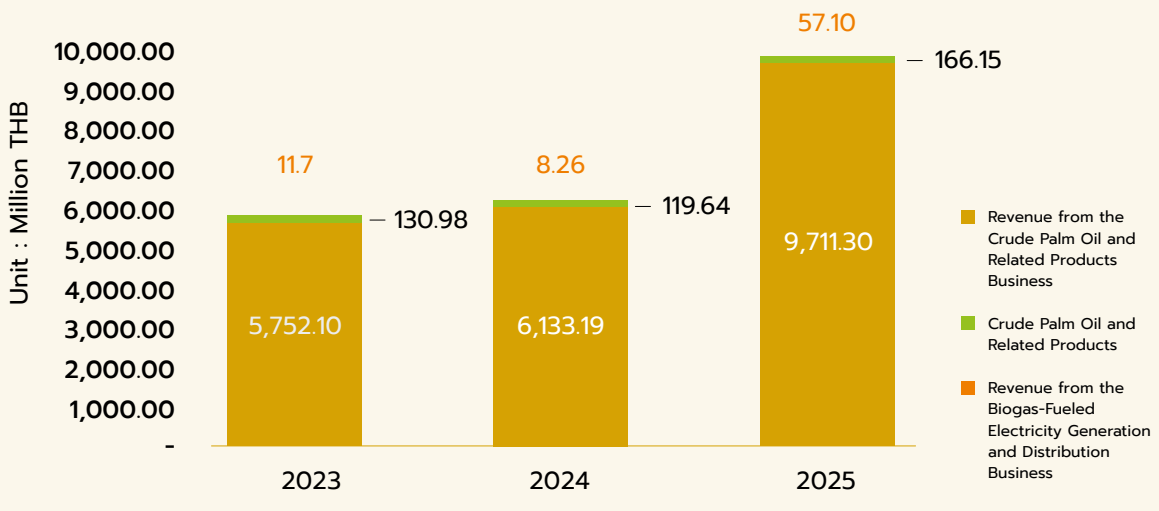
Notes: /1 Comparevith total revenue

/2 Other income consists of income from the sale of fresh palm fruit, income from the sale of scrap machinery and equipment, interest income, and other income.

/3 Total revenue excludes foreign exchange gains (losses).

/4 For 2025, other income included insurance claim proceeds of THB 44.54 million, which was a one-time item. (One time transaction)

Revenue by Business Segment for 2023 to 2025



(1) Revenue from the Biogas-Fueled Electricity Generation and Distribution Business

For 2023, 2024, and 2025, Smothong Group recorded revenue from its crude palm oil and related products business of THB 5,752.10 million, THB 6,133.19 million, and THB 9,711.30 million, respectively. The revenue from this business is classified into three product categories: crude palm oil, dried palm kernel, and by-products, such as palm shells, shredded empty fruit bunches, palm kernel cake, and dried palm kernel cake.

Revenue by Product Type	2023		2024		2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Crude palm oil	4,990.12	86.75%	5,222.27	85.15%	7,930.91	81.67%
Dried palm kernel	532.64	9.26%	784.69	12.79%	1,601.67	16.49%
Other Related Products	229.34	3.99%	126.23	2.06%	178.72	1.84%
Total revenue	5,752.10	100.00%	6,133.19	100.00%	9,711.30	100.00%

Notes: /1 compared to revenue from the crude palm oil and related products business

For 2023, 2024, and 2025, the production capacity, capacity utilization, and production and sales volumes of the conglomerate are set out below.

Production detail	Unit	2023	2024	2025
Production capacity as at the end of the period	Tons FFB/hour	180	240/2	240
Maximum production capacity/1	Ton	1,425,600	1,584,000	1,900,800
Volume of fresh palm fruit processed	Ton	791,045	833,861	1,249,268
Average capacity utilization rate	%	55.49%	52.64%	65.72%
Crude palm oil production volume	Ton	148,184	147,180	222,836
Oil extraction rate (OER)	%	18.73%	17.65%	17.84%
Crude palm oil sales volume	Ton	158,777	149,836	220,328
Average crude palm oil selling price	THB/Kg	31.43	34.85	36.00
Dried palm kernel production volume	Ton	41,786	42,356	65,783
Palm kernel extraction rate	%	5.28%	5.08%	5.27%
Dried palm kernel sales volume (KER)	Ton	37,192	41,917	65,405
Average dried palm kernel selling price	THB/Kg	14.32	18.72	24.49

Notes: /1 The maximum production capacity is calculated based on the production capacity of all of the conglomerate's mills multiplied by 330 operating days per year, or 27.5 operating days per month, and 24 hours per day, with adjustments made to reflect the commencement of commercial operations of each mill during the relevant period.

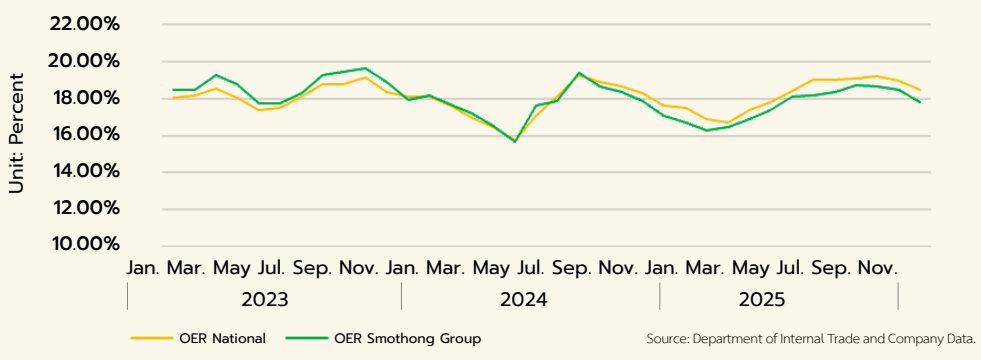
/2 Pursuant to the resolution of the Board of Directors' Meeting No. 2/2024 held on 27 January 2024, the acquisition of shares in A.L. Palm Co., Ltd. was approved. Following the acquisition and subsequent takeover of the crude palm oil mill, improvements were made to the production process, and commercial operations commenced in September 2024 with a production capacity of 60 tonnes of fresh palm fruit per hour.

In 2023, the conglomerate processed 791,045 tonnes of fresh palm fruit, which resulted in the production of 148,184 tonnes of crude palm oil, representing an oil extraction rate ("OER") of 18.73%, and 41,786 tonnes of dried palm kernel, representing a kernel extraction rate ("KER") of 5.28%.The OER increased compared to the previous year, primarily due to the conglomerate's focus on procuring higher-quality fresh palm fruit for use in the production process. In contrast, the KER remained broadly in line with the previous year. It generally varies according to the variety of fresh palm fruit, whereas OER depends on both variety and quality of the fresh palm fruit. The increase in the volume of fresh palm fruit processed in 2023, as compared to the previous year, was mainly attributable to the Saraburi branch mill having operated commercially for the full year, whereas in the previous year it had been in commercial operation for only three months, commencing in October 2022. The average capacity utilization rate for 2023 was 55.49%, representing a significant decrease from the previous year. This was mainly due to the limited supply of fresh palm fruit during the initial stage of commercial operations at the Saraburi branch mill. Nevertheless, the conglomerate remained attentive to this issue and implemented a raw material procurement plan while closely monitoring the situation.

In 2024, the conglomerate processed 833,861 tonnes of fresh palm fruit, resulting in the production of 147,180 tonnes of crude palm oil, representing an oil extraction rate ("OER") of 17.65%, and 42,356 tonnes of dried palm kernel, representing a kernel extraction rate ("KER") of 5.08%. The decline in OER was attributable to unusually hot weather during the summer of 2024, which reduced the conversion rate of starch to oil in fresh palm fruit during May 2024 before conditions subsequently returned to normal. Meanwhile, the average capacity utilization rate for 2024 was 52.64%, a decrease from the previous year. This was primarily due to the acquisition of shares in A.L. Palm Co., Ltd. ("AL"), as approved by the Board of Directors' Meeting No. 2/2024 held on 27 January 2024. Following the takeover of AL's mill, the conglomerate undertook machinery improvements, which were completed in September 2024, at which time commercial operations commenced with a production capacity of 60 tonnes of fresh palm fruit per hour. As a result, the Smothong Group and its subsidiaries total production capacity increased to 240 tonnes of fresh palm fruit per hour, and AL's production capacity was therefore included in the calculation of the organization's maximum production capacity from September 2024 onwards.

In 2025, the conglomerate processed 1,249,268 tonnes of fresh palm fruit, resulting in the production of 222,836 tonnes of crude palm oil, representing an oil extraction rate ("OER") of 17.84%, and 65,783 tonnes of dried palm kernel, representing a kernel extraction rate ("KER") of 5.27%. The OER and average capacity utilization rate remained broadly in line with the previous year. In contrast, the volume of fresh palm fruit processed increased by 415,407 tonnes, or 49.82%, compared to the previous year. This increase was primarily attributable to the continued commercial operations of A.L. Palm Co., Ltd.'s crude palm oil mill since September 2024, which has a production capacity of 60 tonnes of fresh palm fruit per hour and accounts for 25.00% of the conglomerate's total production capacity. In addition, in 2025, farmers were able to harvest a greater volume of palm fruit than in the previous year due to favorable weather conditions and adequate rainfall. As a result of the foregoing factors, the conglomerate was able to produce a higher volume of products than in the previous year.

Smothong Group OER Compared to National Average OER



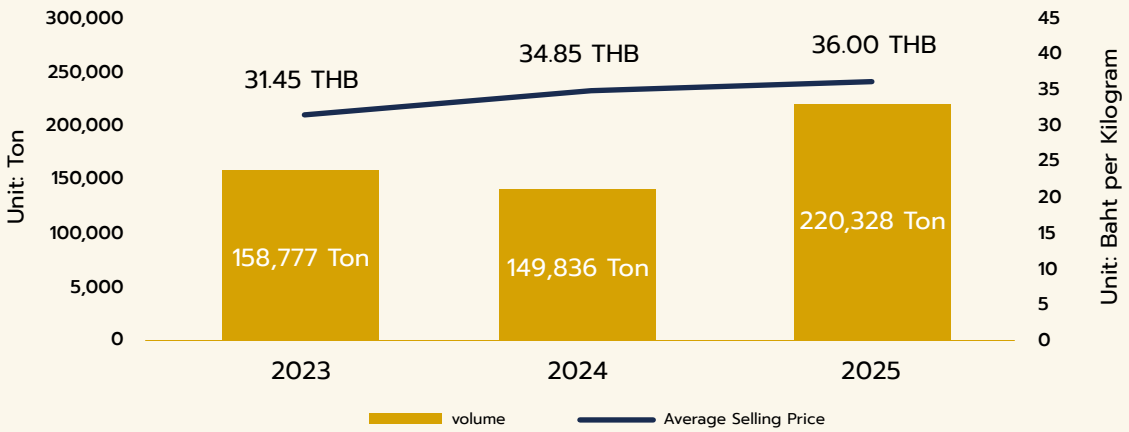
Source: Department of Internal Trade and Company Data.

(1.1) Revenue from Crude Palm Oil

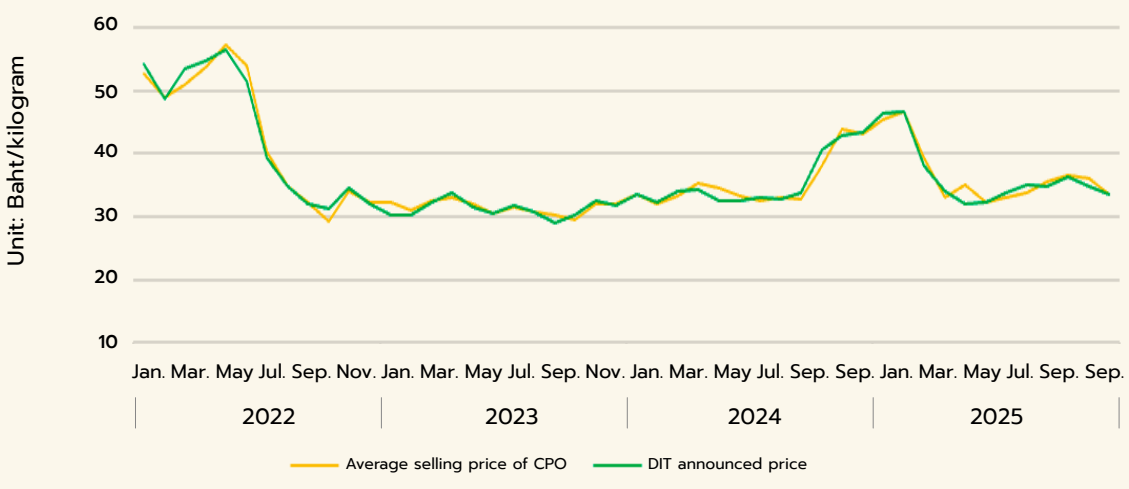
Crude palm oil ("CPO") is the only product of the corporation that is sold in both domestic and export markets. For 2023, 2024, and 2025, the conglomerate's revenue, sales volume of crude palm oil in both domestic and overseas markets, and average selling prices were as follows.

Revenue from Crude Palm Oil	2023		2024		2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Total revenue from crude palm oil sales	4,990.12	100.00%	5,222.27	100.00%	7,930.91	100.00%
Domestic	*3,159.27*	*63.31%*	*2,935.32*	*56.21%*	*2,842.34*	*35.84%*
Export	*1,830.85*	*36.69%*	*2,286.95*	*43.79%*	*5,088.57*	*64.16%*
Crude Palm Oil Sales Volume (tonnes)	158,777		149,836		220,328	
Average Selling Price (THB/kg)	31.43		34.85		36.00	

Crude Palm Oil Sales Volume and Average Selling Price of the Conglomerate for 2023 to 2025



The conglomerate's average crude palm oil selling price compared with the crude palm oil price announced by the Department of Internal Trade



Source: Department of Internal Trade and Company Data.

For fiscal year 2023, the conglomerate recorded crude palm oil sales revenue of THB 4,990.12 million, a decrease of THB 585.46 million or 10.50% YoY. In terms of total sales volume, it was 158,777 tons, an increase of 27,884 tons (21.30%) compared to the previous year, while the average selling price declined to THB 31.43 per kilogram, down THB 11.17 per kilogram (26.22%) year-over-year. The increase in sales volume was partly attributable to the Saraburi plant, which commenced commercial operations in October 2022 and operated throughout 2023, resulting in greater production capacity than in the prior year.

Regarding crude palm oil exports, the conglomerate's international sales revenue increased by THB 1,304.20 million, or 247.64% YoY, with export volume rising 43,294 tons, or 291.48%, in line with the conglomerate's strategic initiative to expand its export share. The decline in overall revenue was driven by lower average crude palm oil prices, which resulted from Indonesia's easing of export restrictions beginning in late 2022, alleviating tightness in the global crude palm oil market. Domestically, elevated inventory levels exerted downward pressure on local crude palm oil prices. Meanwhile, the increase in sales volume was attributable to improved fresh fruit bunch procurement, enabled by the conglomerate's proactive sourcing strategy and close monitoring of market conditions.

For fiscal year 2024, the conglomerate recorded crude palm oil sales revenue of THB 5,222.27 million, an increase of THB 232.16 million or 4.65% YoY. Sales volume totalled 149,836 tons, a decrease of 8,941 tons or 5.63% compared to the previous year, while the average selling price rose to THB 34.85 per kilogram, up THB 3.42 per kilogram or 10.90% year-over-year. With respect to crude palm oil exports, international sales revenue increased by THB 456.10 million, or 24.91% YoY, with export volume rising 8,933 tons, or 15.36%. The growth in export revenue and volume was driven by expanded international marketing efforts and increased sales to two major customers in Singapore. Average selling prices in 2024 strengthened during the second half of the year as the global crude palm oil market continued to face multiple challenges. Demand for vegetable oils increased from major consuming nations, particularly India and China. Concurrently, adverse weather conditions, including El Niño-La Niña phenomena, directly impacted palm oil production in Indonesia, Malaysia, and Thailand. Meanwhile, the protracted Russia-Ukraine conflict continued to exert upward pressure on global vegetable oil prices. These factors collectively drove domestic crude palm oil prices higher in alignment with global market conditions.

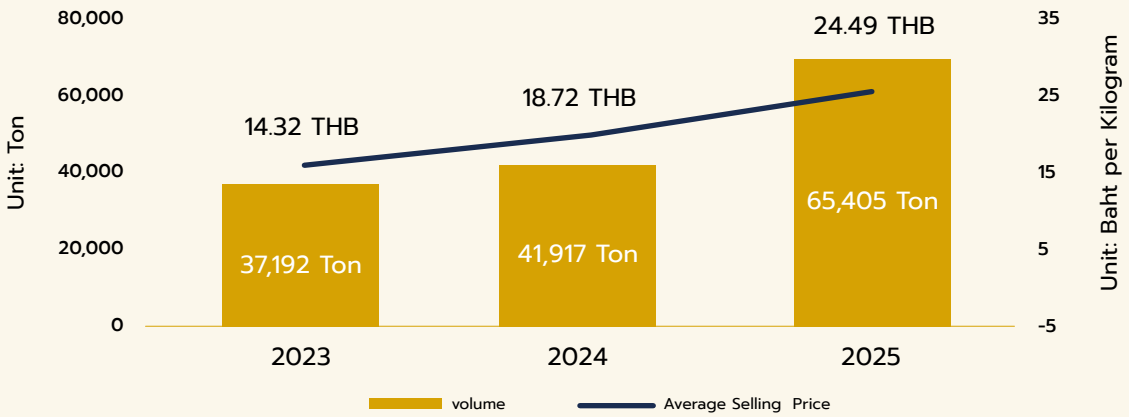
For fiscal year 2025, the conglomerate recorded crude palm oil sales revenue of THB 7,930.91 million, an increase of THB 2,708.64 million or 51.87% YoY. The total sales volume was 220,328 tons, up 70,492 tons or 47.05% compared to the prior year, while the average selling price rose to THB 36.00 per kilogram, an increase of THB 1.15 per kilogram or 3.29% YoY. Analyzing revenue by geographic distribution for fiscal year 2025, export sales increased by THB 2,801.62 million versus the comparable period, resulting in a higher proportion of international sales and a corresponding decline in the domestic sales ratio. The overall increase in crude palm oil revenue compared to the prior year was primarily attributable to higher sales volumes, which stemmed from enhanced production capacity driven by two principal factors. Firstly, regarding production capacity, during the comparable period in the prior year, the AL Palm Co., Ltd. facility—which has a processing capacity of 60 tons of fresh fruit bunches per hour, representing 25.00% of the consolidated production capacity—was undergoing process improvements. In contrast, all crude palm oil production facilities operated normally throughout fiscal year 2025. Secondly, with respect to raw material availability, Thailand's fresh fruit bunch harvest volumes increased compared to the prior-year period due to favorable weather conditions and optimal rainfall levels. These two factors collectively enabled the conglomerate to significantly increase crude palm oil production for sale. Additionally, average selling prices rose in line with crude palm oil prices, which remained elevated compared to the prior-year period.

(1.2) Revenue from dried palm kernel

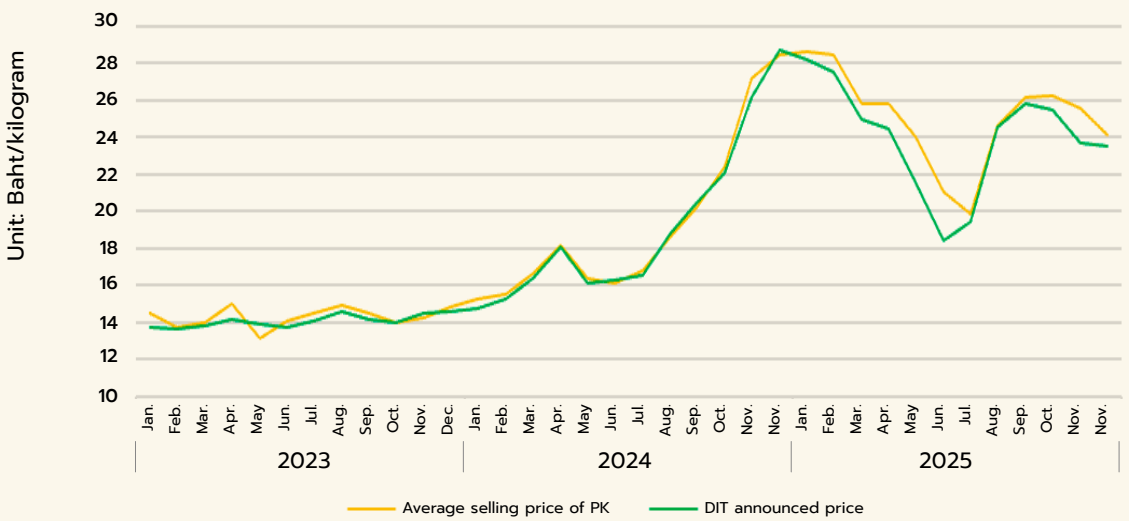
Dried Palm Kernel (PK) represents another principal product within the crude palm oil production and distribution business segment and related products. Dried palm kernel serves as a feedstock for extracting Crude Palm Kernel Oil (CPKO), with palm kernel meal as a by-product that is utilized as animal feed, substituting for other feed types. The conglomerate sells dried palm kernel exclusively to domestic customers. For fiscal years 2023, 2024, and 2025, sales volume, average selling price, and revenue from dried palm kernel sales were as follows:

Dried Palm Kernel Sales information	Unit	2023	2024	2025
Revenue from Dried Palm Kernel Sales	Million THB	532.64	784.69	1,601.67
Sales volume	Ton	37,192	41,917	65,405
Average selling price	THB/Kg	14.32	18.72	24.49

Sales Volume and Average Selling Price of Dried Palm Kernel for Fiscal Years 2023 to 2025



Company's Average Selling Price of Dried Palm Kernel Compared to the Department of Internal Trade's Posted Price for Dried Palm Kernel



Source: Department of Internal Trade and Company Data.

For fiscal year 2023, the conglomerate recorded dried palm kernel sales revenue of THB 532.64 million, a decrease of THB 404.26 million or 43.15% compared to the previous year. The total organization sales volume was 37,192 tons, down 2,378 tons or 6.01% year-over-year, with an average selling price of THB 14.32 per kilogram. The significant decline in revenue and sales volume was primarily attributable to the trial exploration of the crude palm kernel oil market during the year of the conglomerate. This involved entering into a contract to sell dried palm kernel to a trading partner while simultaneously contracting to repurchase the resulting crude palm kernel oil for resale. Under accounting standards, such transactions are not recognized as sales revenue but rather recorded as cost of goods sold for crude palm kernel oil. The average selling price of dried palm kernel for the fiscal year 2023 decreased by THB 9.36 per kilogram compared to the prior year, moving in line with crude palm oil price trends.

For fiscal year 2024, the conglomerate recorded dried palm kernel sales revenue of THB 784.69 million, an increase of THB 252.05 million or 47.32% compared to the previous year. Sales volume reached 41,917 tons, representing an increase of 4,725 tons or 12.70% versus the prior year, while the average selling price stood at THB 18.72 per kilogram. The increase in revenue and sales volume was attributable to the discontinuation of the crude palm kernel oil market trial arrangement that occurred in fiscal year 2023, whereby the conglomerate had contracted to sell dried palm kernel to a trading partner while simultaneously repurchasing the resulting crude palm kernel oil for resale. Additionally, revenue growth was supported by higher average selling prices compared to the prior year, consistent with the upward movement in crude palm oil and fresh fruit bunch prices.

For fiscal year 2025, the conglomerate recorded dried palm kernel sales revenue of THB 1,601.67 million, an increase of THB 816.98 million or 104.12% compared to the prior year. Sales volume reached 65,405 tons, up 23,488 tons or 56.03% year-over-year, while the average selling price stood at THB 24.49 per kilogram. The increase in dried palm kernel sales revenue was driven by both higher average selling prices and increased sales volumes. The average selling price for the period rose by THB 5.77 per kilogram, or 30.81%, compared to the prior year, as crude palm kernel oil (CPKO) trading prices strengthened, consequently driving up prices for dried palm kernel, the primary feedstock for its production. Meanwhile, sales volume growth aligned with increased fresh fruit bunch throughput in the production process.

(1.3) Revenue from other related products

In addition to crude palm oil and dried palm kernel, which are the principal products of the crude palm oil production and distribution business and related products segment, the crude palm oil production process generates several by-products, including palm shell, sludge, dried sludge, empty fruit bunches, chopped bunches, and fiber. Revenue from sales of other related products comprises revenue from by-products and other products such as crude palm kernel oil and palm seedlings. However, revenue from crude palm kernel oil appears in other related product sales only in fiscal year 2023, while revenue from palm seedlings appears only in fiscal year 2024, as the conglomerate conducted market trials for these products during those respective periods before subsequently adjusting its business plan and discontinuing sales of these products.

For fiscal year 2023, Smothong Group and its subsidiaries recorded revenue from sales of other related products totaling THB 229.34 million, consisting of THB 156.82 million from by-products and THB 72.52 million from other products. Principal by-product revenues comprised: palm shell sales of THB 113.47 million, chopped bunches of THB 28.10 million, fibre of THB 6.89 million, and dried sludge of THB 3.00 million. Revenue from other products consisted entirely of crude palm kernel oil sales totaling THB 72.52 million.

For fiscal year 2024, the conglomerate recorded revenue from sales of other related products totaling THB 126.23 million, derived entirely from by-products. Principal by-product revenues comprised: palm shell sales of THB 91.23 million, chopped bunches of THB 23.71 million, fibre of THB 4.25 million, and sludge of THB 1.90 million. Additionally, during fiscal year 2024, the conglomerate conducted a trial of the palm seedling business, generating revenue of THB 2.81 million. Following a subsequent business plan adjustment, the palm seedling business was discontinued, resulting in revenue from this activity appearing only in fiscal year 2024.

For fiscal year 2025, the conglomerate recorded revenue from sales of other related products totaling THB 178.72 million, consisting entirely of by-product sales. Principal by-product revenues comprised: palm shell sales of THB 134.10 million, chopped bunches of THB 28.65 million, and fibre of THB 12.39 million.

(2) Revenue from Biogas Power Generation and Distribution Business

The biogas power generation and distribution business represents another core business segment of Smothong Group, which is closely integrated with the crude palm oil production and distribution business and related products. Wastewater from the production process is combined with sludge and fermented in biogas digestion ponds to produce biogas, which is then used as fuel for electricity generation. The electricity is sold to the Provincial Electricity Authority (PEA) under a Very Small Power Producer (VSPP) Power Purchase Agreement.

For fiscal years 2023, 2024, and 2025, the conglomerate recorded revenue from the biogas power generation and distribution business of THB 130.98 million, THB 119.64 million, and THB 166.15 million, representing 2.22%, 1.91%, and 1.67% of total revenue, respectively. Details are as follows:

Revenue	2023		2024		2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Revenue from Biogas Power Generation and Distribution Business	130.98	2.22%	119.64	1.91%	166.15	1.67%

Notes: /1 Compare with the total revenue of the conglomerate

For fiscal years 2023, 2024, and 2025, the production capacity, capacity utilization, and production and sales volumes of Smothong Group were as follows:

Electricity Generation Details	Unit	2023	2024	2025
Production capacity/1	MegaWatt	12.25	14.38/2	14.38
Power Purchase Agreement	MegaWatt	10.70	12.70/2	12.70
Electricity Generated	Mill Units	33.41	35.17	50.04
Capacity Utilization Rate	%	34.43%	30.88%	43.94%
Electricity Sales Volume	Mill Units	29.43	30.39	45.18
Average Electricity Selling Price	THB/Unit	4.45	3.94	3.68

Notes: /1 The electricity production capacity is calculated from the total installed capacity multiplied by the number of operating days per year (330 days, or 27.5 days per month) multiplied by 24 hours per day.

/2 Production capacity increased due to the acquisition of a 99.99% stake in A.L. Palm Co., Ltd. ("AL"). The acquisition included a biogas power plant with an installed capacity of 2.13 megawatts and a Power Purchase Agreement for 2.00 megawatts.

For fiscal year 2023, revenue from the biogas power generation and distribution business of THB 130.98 million, an increase of THB 7.54 million or 6.11% compared to the previous year. The increase was primarily attributable to a higher average electricity selling price of THB 4.45 per unit in fiscal year 2023, up THB 0.31 per unit or 7.49% year-over-year. While electricity generation remained at levels comparable to the prior year, sales volume declined slightly by 0.42 million units due to increased internal consumption of electricity for crude palm oil production. Overall, these factors resulted in higher revenue from the biogas power generation and distribution business compared to the previous year.

For fiscal year 2024, the revenue from the biogas power generation and distribution business of THB 119.64 million, a decrease of THB 11.33 million or 8.65% compared to the previous year. The decline was primarily attributable to a lower average electricity selling price of THB 3.94 per unit in fiscal year 2024, down THB 0.51 per unit or 11.46% year-over-year. On the production side, electricity generation volume increased due to the acquisition of A.L. Palm Co., Ltd. shares in February 2024. A.L. Palm operates both crude palm oil production and biogas power generation businesses, with the biogas facility having an installed capacity of 2.13 megawatts. This represented a 17.39% increase from the pre-acquisition capacity of 12.25 megawatts. However, following the acquisition, the conglomerate undertook process improvements at A.L. Palm's crude palm oil production facilities. Consequently, the biogas power generation operations were unable to operate during this period, as they require feedstock derived from the crude palm oil production process. The improvements to the crude palm oil production facilities were completed in September 2024, at which point both the crude palm oil production and biogas power generation businesses commenced commercial operations. These factors resulted in electricity production volume growth for fiscal year 2024 that was lower than the increase in installed production capacity.

For fiscal year 2025, the revenue from the biogas power generation and distribution business of THB 166.15 million, an increase of THB 46.51 million or 38.87% compared to the prior year. The increase was primarily attributable to higher electricity sales volume, which rose by 14.79 million units or 48.67% year-over-year, driven by production capacity factors. During the comparable period in the prior year, the AL Palm Co., Ltd. facility, with an installed capacity of 2.13 megawatts representing 14.81% of the conglomerate's total capacity, was undergoing process improvements. Additionally, in the fourth quarter of fiscal year 2024, the Tha Chana plant was temporarily unable to operate due to a fire incident, resulting in Mitprasong Greenpower Co., Ltd. suspending electricity generation due to the unavailability of wastewater feedstock from the Tha Chana crude palm oil production facility. In contrast, all power generation facilities operated normally throughout fiscal year 2025. With respect to electricity pricing, the average selling price declined by THB 0.26 per unit or 6.59% compared to the prior year, following the Provincial Electricity Authority's announcement of reduced power purchase tariffs. However, as the increase in electricity sales volume exceeded the decline in purchase price, revenue from the biogas power generation and distribution business increased compared to the prior year.

(3) Other Revenues

The conglomerate's other income comprises revenue from fresh fruit bunches harvested from its own plantations, sales of scrap machinery and equipment, and miscellaneous items. For fiscal years 2023, 2024, and 2025, other income totaled THB 11.07 million, THB 8.26 million, and THB 57.10 million, representing 0.19%, 0.13%, and 0.57% of total revenue, respectively. For fiscal year 2023, the conglomerate recorded other income of THB 11.07 million, or 0.19% of total revenue, a decrease of THB 48.36 million or 81.38% compared to the previous year. The significant decline was attributable to one-time transactions in fiscal year 2022, specifically land compensation received from the Electricity Generating Authority of Thailand and penalty payments from crude palm oil customers. For fiscal year 2023, other income consisted primarily of revenue from fresh fruit bunches harvested from the conglomerate's own plantations and sales of scrap machinery and equipment. With respect to 2024, the organization generated other income of THB 8.26 million, or 0.13% of total revenue, a decrease of THB 2.81 million or 25.36% compared to the previous year. Similar to the prior year, other income for fiscal year 2024 consisted primarily of revenue from fresh fruit bunches harvested from own plantations and sales of scrap machinery and equipment. Regarding 2025, the conglomerate recorded other income of

THB 57.10 million, or 0.57% of total revenue, an increase of THB 48.84 million or 591.25%, compared to the prior year. The significant increase was primarily attributable to insurance claim proceeds of THB 44.54 million received in fiscal year 2025, which constituted a one-time transaction, with the remainder comprising other miscellaneous income from non-recurring items. Consequently, other income for fiscal year 2025 increased substantially compared to the prior year.

4.1.2 Cost of Sales and Gross Profit

For fiscal years 2023, 2024, and 2025, the conglomerate recorded total cost of sales of THB 5,335.44 million, THB 5,521.85 million, and THB 8,811.87 million, representing 90.69%, 88.31%, and 89.21% of sales revenue, respectively. During the same periods, the conglomerate achieved total gross profit of THB 547.63 million, THB 730.98 million, and THB 1,065.58 million, corresponding to gross profit margins of 9.31%, 11.69%, and 10.79%, respectively. Details of cost of sales and gross profit by business segment are as follows:

Cost of Sales and Gross Profit	2023		2024		2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Sales Revenue	5,883.08	100.00%	6,252.83	100.00%	9,877.45	100.00%
Revenue from Crude Palm Oil Production and Distribution Business and Related Products	*5,752.10*	*97.77%*	*6,133.19*	*98.09%*	*9,711.30*	*98.32%*
Revenue from Biogas Power Generation and Distribution Business	*130.98*	*2.23%*	*119.64*	*1.91%*	*166.15*	*1.68%*
Cost of Sales	5,335.44	90.69%	5,521.85	88.31%	8,811.87	89.21%
Cost of Sales - Crude Palm Oil Production and Distribution Business and Related Products	*5,265.60*	*89.50%*	*5,450.98*	*87.18%*	*8,732.63*	*88.41%*
Cost of Sales - Biogas Power Generation and Distribution Business	*69.84*	*1.19%*	*70.87*	*1.13%*	*79.24*	*0.80%*
Total Gross Profit	547.63	9.31%	730.98	11.69%	1,065.58	10.79%
Gross Profit - Crude Palm Oil Production and Distribution Business and Related Products	*486.50*	*8.27%*	*682.21*	*10.91%*	*978.67*	*9.91%*
Gross Profit - Biogas Power Generation and Distribution Business	*61.14*	*1.04%*	*48.77*	*0.78%*	*86.91*	*0.88%*

Notes: /1 Percentage of Sales Revenue

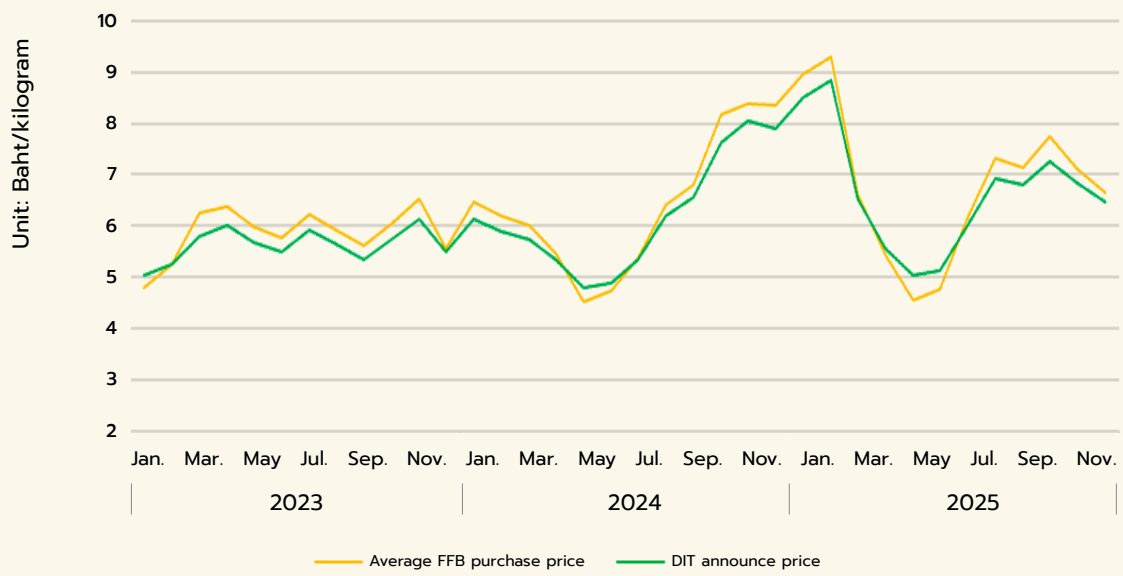
(1) Cost of Sales and Gross Profit from Crude Palm Oil Production and Distribution Business and Related Products

The cost of sales for the crude palm oil production and distribution business and related products comprises raw material costs, depreciation and amortization, maintenance costs, labor costs, and other costs. The most significant cost component is raw materials, specifically Fresh Fruit Bunches (FFB), an agricultural commodity whose purchase price fluctuates due to various factors. Consequently, the cost of sales for this business segment tends to move in direct correlation with fresh fruit bunch price movements. Another significant factor is the Oil Extraction Rate (OER), which represents the proportion of crude palm oil that can be extracted per unit of production. A higher OER indicates superior crude palm oil extraction capability. OER depends on fresh fruit bunch quality and the efficiency of production machinery. Beyond raw material pricing and oil extraction rates, other important cost components include capacity utilization, changes in labor wages, and production loss ratios, which constitute fixed costs. Therefore, if the conglomerate could increase raw material procurement for production, it will reduce fixed cost per unit through economies of scale. Details of the cost of sales, gross profit, fresh fruit bunch purchase prices, and oil extraction rates for fiscal years 2023, 2024, and 2025 are as follows:

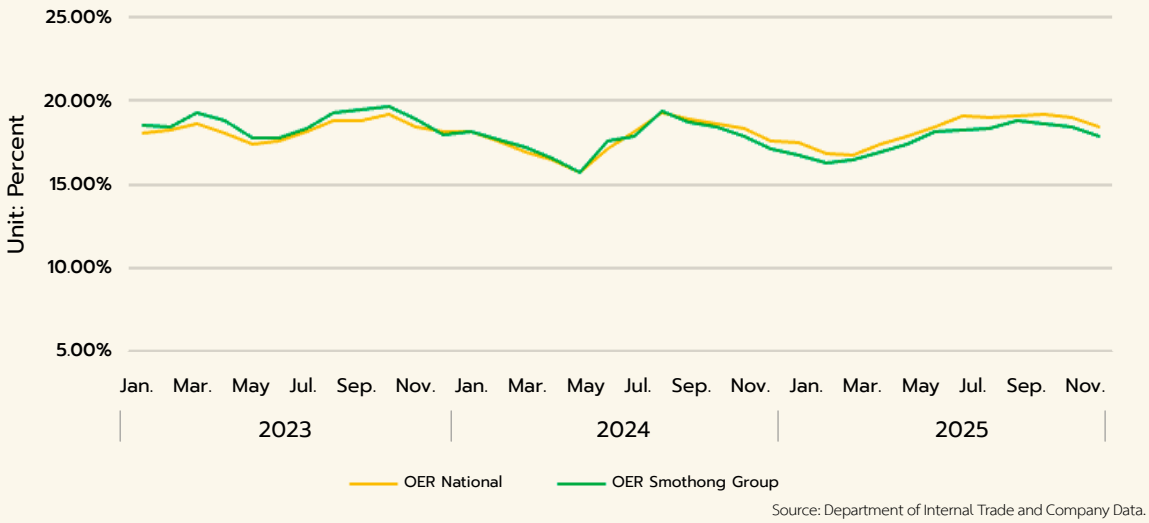
Cost of Sales and Gross Profit from Crude Palm Oil and Related Products	2023		2024		2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Revenue	5,752.10	100.00%	6,133.19	100.00%	9,711.30	100.00%
Cost of sales	5,265.60	91.54%	5,450.98	88.88%	8,732.63	89.92%
Gross profit	486.50	8.46%	682.21	11.12%	978.67	10.08%

Notes: /1 as a Percentage of Revenue from Crude Palm Oil Production and Distribution Business and Related Products

Company's Average Fresh Fruit Bunch Purchase Price Compared to the Department of Internal Trade's Posted Selling Price for Fresh Fruit Bunches



Company's OER Compared to National Average OER



Source: Department of Internal Trade and Company Data.

For fiscal year 2023, the conglomerate recorded cost of sales for the crude palm oil production and distribution business and related products of THB 5,265.60 million, or 91.54% of revenue from this business segment, with an average oil extraction rate of 18.73%. Cost of sales for fiscal year 2023 decreased compared to the prior year, primarily due to a significant decline in fresh fruit bunch prices, consistent with global and domestic crude palm oil market trends. Meanwhile, the oil extraction rate improved versus the prior year, reflecting the conglomerate's raw material procurement strategy focused on selecting high-quality fresh fruit bunches for production. These two factors collectively resulted in a lower cost-of-sales ratio compared to the prior year. Moreover, Smothong Group achieved gross profit from the crude palm oil production and distribution business of THB 486.50 million, corresponding to a gross profit margin of 8.46%, higher than the previous year due to improved cost management.

For fiscal year 2024, the conglomerate recorded cost of sales for the crude palm oil production and distribution business and related products of THB 5,450.98 million, or 88.88% of revenue from this business segment, with an average oil extraction rate of 17.65%. The organization achieved gross profit from this business of THB 682.21 million, corresponding to a gross profit margin of 11.12%. Additionally, the corporation's cost of sales in 2024 increased compared to the prior year, driven by higher fresh fruit bunch prices that moved in tandem with crude palm oil prices. Meanwhile, the gross profit margin for fiscal year 2024 also improved, primarily due to an increased proportion of export sales. International crude palm oil prices during this period were higher than domestic prices, which was a key factor contributing to the higher gross profit margin compared to the previous year.

While in fiscal year 2025, the conglomerate recorded cost of sales for the crude palm oil production and distribution business and related products of THB 8,732.63 million, or 89.92% of revenue from this business segment, with an average oil extraction rate of 17.84%. The corporation achieved gross profit from this business of THB 978.67 million, corresponding to a gross profit margin of 10.08%. Cost of sales for the period increased by THB 3,281.65 million, or 60.20%, compared to the prior year, rising in line with increased sales volumes of crude palm oil and dried palm kernel. Meanwhile, the average fresh fruit bunch purchase price moved in accordance with crude palm oil price trends. The gross profit margin improved compared to the prior year, primarily due to an increased proportion of export sales. International crude palm oil prices during this period exceeded domestic prices. Additionally, larger transaction volumes enabled to achieve better cost management for its products.

(2) Cost of Sales and Gross Profit from Biogas Power Generation and Distribution Business

The cost of sales for the biogas power generation and distribution business comprises primarily depreciation and amortization, machinery maintenance costs, labor costs, and other costs. The raw materials used in production consist of wastewater from the production process and sludge, both of which are by-products from the crude palm oil production process. These materials are combined and fermented with microorganisms to produce biogas, which is then used as fuel for electricity generation and sold to the Provincial Electricity Authority under a Very Small Power Producer (VSPP) Power Purchase Agreement. Consequently, the biogas power generation business represents a value-added utilization of by-products from crude palm oil production, creating an additional revenue stream for the corporation. Details of cost of sales and gross profit for fiscal years 2023, 2024, and 2025 are as follows:

Biogas Power Generation and Distribution Business	2023		2024		2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Revenue	130.98	100.00%	119.64	100.00%	166.15	100.00%
Cost of sales	69.84	53.32%	70.87	59.23%	79.24	47.69%
Gross profit	61.14	46.68%	48.77	40.77%	86.91	52.31%

Notes: /1 as a Percentage of Revenue from Biogas Power Generation and Distribution Business

For fiscal year 2023, cost of sales for the biogas power generation and distribution business of THB 69.84 million, or 53.32% of revenue from this business segment. The primary driver of the cost increase compared to the prior year was higher machinery repair and maintenance costs, as fiscal year 2023 coincided with the scheduled major overhaul cycle, resulting in elevated costs relative to the comparison period. Other cost categories remained at levels comparable to the previous year. For fiscal year 2023, the conglomerate achieved gross profit from the biogas power generation and distribution business of THB 61.14 million, corresponding to a gross profit margin of 46.68%. Gross profit increased slightly compared to the prior year, as the growth in sales revenue exceeded the increase in cost of sales, driven by machinery repair and maintenance expenses. Meanwhile, the gross profit margin declined versus the previous year due to these same factors.

For fiscal year 2024, cost of sales for the biogas power generation and distribution business of THB 70.87 million, or 59.23% of revenue from this business segment. The increase in cost of sales was attributable to the acquisition of A.L. Palm Co., Ltd. shares in February 2024, which operates a biogas power generation and distribution business similar to the other existing biogas power plants. As the majority of costs in this business consist of

depreciation and amortization, the acquisition resulted in a higher cost of sales. Regarding gross profit, the conglomerate achieved gross profit from the biogas power generation and distribution business of THB 48.77 million, corresponding to a gross profit margin of 40.77%. The decline in gross profit margin was due to the temporary suspension of operations at the Tha Chana plant following a fire incident, which prevented Mitprasong Green Power Co., Ltd. from generating electricity due to the unavailability of production feedstock, necessitating a temporary business suspension. Meanwhile, the business's fixed costs continued to be incurred as normal, resulting in an increased cost-to-revenue ratio. However, Tha Chana plant resumed its operations in December 2024, enabling Mitprasong Green Power biogas power generation and distribution business to return to its normal operations.

For fiscal year 2025, cost of sales for the biogas power generation and distribution business of THB 79.24 million, or 47.69% of revenue from this business segment. The increase in cost of sales was attributable to the temporary suspension of operations at the Tha Chana plant during the fourth quarter of the prior year following a fire incident, which prevented Mitprasong Green Power Co., Ltd. from generating electricity due to the unavailability of production feedstock. In contrast, all power generation facilities operated normally throughout fiscal year 2025. Regarding gross profit, the conglomerate achieved gross profit from the biogas power generation and distribution business of THB 86.91 million, corresponding to a gross profit margin of 52.31%, an increase of THB 38.13 million or 78.18% compared to the prior year. The improvement in gross profit and gross profit margin for the period was driven by increased revenue stemming from higher electricity sales volume. While the average electricity selling price declined by THB 0.26 per unit or 6.59% compared to the prior year due to the Provincial Electricity Authority's announcement of reduced power purchase tariffs, the increase in electricity sales volume exceeded the decline in purchase price, resulting in higher revenue from the biogas power generation and distribution business compared to the prior year

4.1.3 Selling and Distribution Expenses

Selling and distribution expenses comprise transportation costs, sales-related expenses, sales personnel compensation, and other expenses. For fiscal years 2023, 2024, and 2025, selling and distribution expenses totaled THB 89.31 million, THB 84.24 million, and THB 147.33 million, representing 1.52%, 1.35%, and 1.48% of total revenue, respectively. Details are as follows:

For fiscal year 2023, selling and distribution expenses of THB 89.31 million, or 1.52% of total revenue, an increase of THB 1.96 million or 2.25% compared to the prior year. The slight increase was primarily attributable to THB 1.20 million in salary adjustments and annual bonus payments, which are recurring items that occur regularly each year. Meanwhile, transportation costs decreased significantly as the conglomerate increased its proportion of crude palm oil exports compared to the previous year. Conversely, sales-related expenses (international) increased significantly due to this same factor.

For fiscal year 2024, selling and distribution expenses of THB 84.24 million, or 1.35% of total revenue, a decrease of THB 5.07 million or 5.88% compared to the prior year. The decline was primarily attributable to a reduction in domestic oil transportation costs of THB 25.43 million, resulting from the conglomerate's purchase of additional oil tanker trucks for internal transportation during the previous year. Additionally, fiscal year 2024 saw an increased proportion of crude palm oil exports, which resulted in higher depreciation expenses for oil tanker trucks and fuel costs, though at a rate lower than the decrease in domestic transportation costs. These factors collectively led to an overall reduction in selling and distribution expenses compared to the previous year.

For fiscal year 2025, selling and distribution expenses of THB 147.33 million, or 1.48% of total revenue, an increase of THB 63.09 million or 74.89% compared to the prior year. The increase was primarily attributable to crude palm oil transportation-related expenses, which rose by THB 45.35 million in line with increased sales volume. Additionally, export-related expenses increased by THB 10.02 million due to a higher proportion of export sales and increased international sales volume. These factors collectively resulted in higher overall selling and distribution expenses compared to the previous year.

4.1.4 Administrative Expenses

The administrative expenses of Smothong Group comprise salaries and benefits, building and equipment expenses, advisory and professional fees, office and utilities expenses, and other expenses. For fiscal years 2023, 2024, and 2025, administrative expenses totaled THB 187.85 million, THB 316.41 million, and THB 253.00 million, representing 3.19%, 5.05%, and 2.55% of total revenue, respectively. Details are as follows:

For fiscal year 2023, the conglomerate recorded administrative expenses of THB 187.85 million, or 3.19% of total revenue, an increase of THB 18.41 million or 10.86% compared to the prior year. The primary driver was an increase in salaries and benefits of THB 12.87 million, attributable to enhanced employee bonuses aligned with the conglomerate's significantly improved operating performance. Additionally, in early fiscal year 2023, the conglomerate appointed board directors and sub-committees in preparation for listing

on the Stock Exchange of Thailand, with corresponding remuneration established for these directors and sub-committees. Another contributing factor to the increase in administrative expenses was a rise in building and equipment expenses of THB 4.23 million, or 10.52%, due to increased property leasing to support business expansion and higher office building repair costs from improvement works. These factors collectively resulted in higher overall administrative expenses. Additionally, the conglomerate incurred downtime expenses of THB 20.65 million during the initial production phase at the Saraburi plant, which required periodic shutdowns for machinery calibration and adjustment, preventing full-capacity operations.

For fiscal year 2024, the conglomerate recorded administrative expenses of THB 316.41 million, or 5.05% of total revenue, an increase of THB 128.55 million or 68.43% compared to the previous year. The increase was attributable to the acquisition of A.L. Palm Co., Ltd. shares in February 2024, which resulted in higher administrative expenses across multiple categories, such as employee compensation, arising from this transaction. Additionally, fiscal year 2024 included downtime expenses of THB 114.73 million, resulting from production machinery improvements at A.L. Palm following the share acquisition in February 2024, with commercial operations commencing in September 2024, as well as the temporary suspension of operations at the Tha Chana plant from September to December 2024 due to a fire incident. These factors led to increased downtime expenses compared to the previous year.

For fiscal year 2025, the conglomerate recorded administrative expenses of THB 253.00 million, or 2.55% of total revenue, a decrease of THB 63.41 million or 20.04% compared to the prior year. The decline was primarily attributable to downtime expenses of THB 114.73 million incurred during the comparable period in the prior year, resulting from production machinery improvements following the AL Palm share acquisition in February 2024 through the commencement of operations in September 2024, as well as the temporary suspension of operations at the Tha Chana plant from September to December 2024 due to a fire incident. In contrast, fiscal year 2025 incurred no downtime expenses. Other administrative expenses increased compared to the previous year due to expenses related to the Initial Public Offering (IPO), which constituted a one-time transaction. However, as the reduction in downtime expenses exceeded the increase in other administrative expenses, overall administrative expenses decreased compared to the prior year.

4.1.5 Foreign Exchange Gain (Loss)

The conglomerate generates revenue from international sales under contracts with payment terms denominated in foreign currency (U.S. dollars), exposing it to foreign exchange rate risk. To manage this exposure, a foreign exchange risk management policy has been established requiring that every crude palm oil sales contract with foreign currency receipts be hedged with financial derivative contracts covering no less than 50% of the transaction value, with cumulative exposure not exceeding USD 1 million at any time. In practice, however, 100% of the exposure is hedged, and derivative contracts must be executed within three business days following receipt of the signed contract with the customer and supplier. Foreign exchange forward contracts or foreign exchange options are entered into, as appropriate, with financial institutions rated A- (National Scale Rating) or higher to manage exchange rate risk and ensure that the exchange rate on the payment date from international customers does not fall below production costs, thereby protecting against losses on actual cash inflows. For financial reporting purposes, foreign exchange gains (losses) are presented on a net fair value basis. Net fair value gains are recognized in other income; net fair value losses are recognized in expenses.

For fiscal years 2023, 2024, and 2025, foreign exchange gains (losses) of (THB 27.51) million, THB 7.69 million, and THB 37.26 million were recorded, respectively.

4.1.6 Finance Income and Finance Costs

(1) Finance Income

The conglomerate's finance income comprises interest income on deposits and other interest income. For fiscal years 2023, 2024, and 2025, finance income totaled THB 1.60 million, THB 2.29 million, and THB 1.74 million, representing 0.03%, 0.04%, and 0.02% of total revenue, respectively.

(2) Finance Costs

For the crude palm oil production and distribution business and related products, working capital is required to purchase fresh fruit bunches from farmers and external collection centers for use as raw materials in production, with no trade credit terms extended. Fresh fruit bunch prices may be volatile; when prices rise, working capital requirements for raw material procurement increase accordingly. Currently, working capital for raw material purchases is financed through internal cash flow and short-term borrowings from financial institutions. Consequently, fresh fruit bunch prices have a direct and significant impact on finance costs. Finance costs comprise interest paid to financial institutions, hire-purchase interest, and finance lease interest. For fiscal years 2023, 2024, and 2025, finance costs totaled THB 33.45 million, THB 48.49 million, and THB 58.51 million, representing 0.57%, 0.77%, and 0.59% of total revenue, respectively.

For fiscal year 2023, finance costs increased by THB 3.74 million, or 12.60%, compared to the prior year, attributable to interest rate adjustments announced by the respective lending institutions. For fiscal year 2024, finance costs increased by THB 15.04 million, or 44.97%, compared to the prior year. The significant increase resulted from the acquisition of ordinary shares in A.L. Palm Co., Ltd. during the year, partially financed through borrowings from financial institutions, as well as additional borrowings for production process improvements. These factors led to higher interest expense compared to the prior year. For fiscal year 2025, finance costs totaled THB 58.51 million, or 0.59% of total revenue, an increase of THB 10.01 million or 20.65% compared to the prior year. The increase resulted from finance costs on borrowings obtained from financial institutions to pay the purchase consideration for the acquisition of ordinary shares in AL Palm Co., Ltd. under the share purchase agreement, resulting in higher finance costs compared to the prior year.

4.1.7 Income Tax Expense

Tax privileges have been granted by the Board of Investment under the Investment Promotion Act B.E. 2520 ("BOI") subject to specified conditions for both core business segments: the crude palm oil production and distribution business and related products, and the biogas power generation and distribution business. However, certain revenue streams fall outside the scope of BOI promotion certificates. Consequently, profits derived from such non-promoted revenue are subject to corporate income tax, resulting in income tax expense changes that correspond with increases or decreases in pre-tax profit from non-promoted revenue. For fiscal years 2023, 2024, and 2025, income tax expense totaled THB 3.40 million, THB 40.47 million, and THB 23.95 million, representing 0.06%, 0.65%, and 0.24% of total revenue, respectively. For fiscal year 2024, income tax expense increased by THB 37.07 million, or 1,091.49%, due to the expiration of the BOI promotion certificate for the crude palm oil production and distribution business and related products at the Tha Chana plant on January 18, 2024. Consequently, revenue generated after this date became subject to income tax without exemption.

Nevertheless, as of December 31, 2025, BOI promotion certificates eligible for tax benefits subject to specified conditions remain in effect, with details as follows:

Detail	Smothong Group Public Co., Ltd.		A.L. Palm Co., Ltd.
	Phanom Branch	Saraburi Branch	
To promote investment in the business	Crude Palm Oil and Dried Palm Kernel Production	Crude Palm Oil and Dried Palm Kernel Production	Crude Palm Oil and Dried Palm Kernel Production
Product type	Crude Palm Oil and Dried Palm Kernel	Crude Palm Oil and Dried Palm Kernel	Crude Palm Oil and Dried Palm Kernel
Tax benefits Exemption from corporate income tax on net profit derived from the promoted business, at a rate not exceeding 100% of the investment amount	5 years (Total exemption amount not exceeding THB 212.00 million)	8 years (Total exemption amount not exceeding THB 168.00 million)	5 years (Total exemption amount not exceeding THB 223.25 million)
BOI promotion approval date	July 20, 2021	January 4,2017 (Merging Business)	July 2, 2024
Tax Benefit Commencement Date	April 2, 2024	April 29, 2018	Tax benefit not yet commenced
Tax Benefit Expiration Date	April 2, 2027	April 29, 2026	Tax benefit not yet commenced

Detail	Phanom Branch	Mitprasong Green Power Co., Ltd.
To Promote Investment in the Business	Biogas Power Generation	Biogas Power Generation
Product Type	Electricity from Biogas	Electricity from Biogas
Tax benefits received Exemption from corporate income tax on net profit derived from the promoted business	1) Exemption from corporate income tax on business operations until January 26, 2024 (expired) 2) Exemption from corporate income tax on 50% of net profit from investment until January 26, 2029	Exemption not exceeding 100% of the investment amount for a period of 8 years (total exemption amount not exceeding THB 77.00 million)
BOI promotion approval date	June 26, 2014	February 15, 2021
Revenue commencement date	January 27, 2016	September 8, 2021
Tax benefit expiration date	January 26, 2029	September 7, 2029

4.1.8 Net Profit and Net Profit Margin

For fiscal years 2023, 2024, and 2025, net profit of THB 218.78 million, THB 259.62 million, and THB 678.89 million, corresponding to net profit margins of 3.71%, 4.15%, and 6.83%, respectively.

Lists	Unit	2023	2024	2025
Average Capacity Utilization Rate	%	55.49%	52.64%	65.72%
Oil Extraction Rate (OER)	%	18.73%	17.65%	17.84%
Crude Palm Oil Sales Volume	Ton	158,777	149,836	220,328

Lists	2023	Proportion/1	2024	Proportion/1	2025	Proportion/1
Total sales revenue	5,883.08	99.81%	6,252.83	99.87%	9,877.45	99.43%
Crude Palm Oil Production and Distribution Business and Related Products	*5,752.10*	*97.59%*	*6,133.19*	*97.96%*	*9,711.30*	*97.75%*
Biogas Power Generation and Distribution Business	*130.98*	*2.22%*	*119.64*	*1.91%*	*166.15*	*1.67%*
Total gross profit	547.63	9.29%	730.98	11.68%	1,065.58	10.79%
Crude Palm Oil Production and Distribution Business and Related Products	*486.50*	*8.25%*	*682.21*	*10.90%*	*978.67*	*9.85%*
Biogas Power Generation and Distribution Business	*61.14*	*1.04%*	*48.77*	*0.78%*	*86.91*	*0.87%*
Other Income/2/3	*11.07*	*0.19%*	*8.26*	*0.13%*	*57.10*	*0.57%*
Profit Before Expenses	558.70	9.48%	739.25	11.81%	1,122.68	11.30%
Selling and Distribution Expenses	89.31	1.52%	84.24	1.35%	147.33	1.48%
Administrative Expenses	167.20	2.84%	201.68	3.22%	253.00	2.55%
Expenses from Non-Production Segments	20.65	0.35%	114.73	1.83%	-	-
Foreign Exchange Gain (Loss)	27.51	0.47%	(7.69)	(0.12%)	(37.26)	(0.38%)
Profit Before Finance Costs and Income Tax Expense	254.02	4.31%	346.29	5.53%	759.61	7.65%
Finance Income	1.60	0.03%	2.29	0.04%	1.74	0.02%
Finance Costs	(33.45)	(0.57%)	(48.49)	(0.77%)	(58.51)	(0.59%)
Profit Before Income Tax Expense	222.18	3.77%	300.09	4.79%	702.84	7.07%
Income Tax Expense	(3.40)	(0.06%)	(40.47)	(0.65%)	(23.95)	(0.24%)
Net Profit for the Year	218.78	3.71%	259.62	4.15%	678.89	6.83%

Notes: /1 as a Percentage of Total Revenue

/2 Other income comprises revenue from fresh fruit bunch sales, sales of scrap machinery and equipment, interest income, and miscellaneous items

/3 Other income for fiscal year 2025 includes insurance claim proceeds of THB 44.54 million, which constituted a one-time transaction

For fiscal year 2023, total sales revenue was THB 5,883.08 million and total cost of sales was THB 5,335.44 million, resulting in gross profit of THB 547.63 million, or a gross profit margin of 9.31%. Selling expenses for the year totaled THB 89.31 million, administrative expenses amounted to THB 187.85 million, and foreign exchange loss was THB 27.51 million. Consequently, operating profit reached THB 254.02 million, or an operating profit margin of 4.32%. Finance costs totaled THB 33.45 million and income tax expense was THB 3.40 million. Based on revenue and expenses for fiscal year 2023, net profit was THB 218.78 million, or a net profit margin of 3.71%. Overall, compared to the prior year, fiscal year 2023 saw revenue from the crude palm oil production and distribution business and related products decrease by THB 935.47 million, or 13.99%, due to various factors affecting domestic and international crude palm oil market prices, which rose sharply in early 2022 before moderating subsequently. Meanwhile, cost of sales for this business segment declined by THB 1,106.82 million, or 17.37%. The rate of decline in cost of sales exceeded the rate of decline in revenue due to a raw material procurement strategy focused on selecting high-quality fresh fruit bunches, which improved the oil extraction rate (OER) and reduced cost of sales. While selling expenses, administrative expenses, and finance costs increased, the increases were smaller than the growth in gross profit. As a result, overall net profit for fiscal year 2023 increased by THB 89.26 million, or 68.91%, compared to the prior year.

For fiscal year 2024, total sales revenue was THB 6,252.83 million and total cost of sales was THB 5,521.85 million, resulting in gross profit of THB 730.98 million, or a gross profit margin of 11.68%. Selling expenses for the year totaled THB 84.24 million, administrative expenses amounted to THB 316.41 million, and foreign exchange gain was THB 7.69 million. Consequently, operating profit reached THB 346.29 million, or an operating profit margin of 5.53%. Finance costs totaled THB 48.49 million and income tax expense was THB 40.47 million. Based on revenue and expenses for fiscal year 2024, net profit was THB 259.62 million, or a net profit margin of 4.15%. Overall, compared to the prior year, a significant development was the acquisition of shares in AL Palm Co., Ltd. (“AL”) from AL’s existing shareholders, pursuant to Board of Directors’ resolution No. 2/2024 dated January 27, 2024. AL operates the same business as existing operations. Following the acquisition, production machinery improvements were undertaken before commencing commercial operations in September 2024, with a production capacity of 60 tons of fresh fruit bunches per hour. However, in the same month, a fire incident occurred at the Tha Chana plant, preventing operations at that facility. Subsequently, in December 2024, the Tha Chana plant resumed normal production operations. For fiscal year 2024, revenue from the crude palm oil production and distribution business and related products increased by THB 232.16 million. The primary driver was the increase in average selling price to THB 34.85 per kilogram, up THB 3.42 per kilogram or 10.90% compared to the previous year. Meanwhile, the cost of sales ratio declined as crude palm oil exports increased, with international crude palm oil prices exceeding domestic prices, thereby improving the gross profit margin. Selling expenses and administrative expenses increased due to the AL share acquisition, which also impacted finance costs through borrowings from financial institutions to fund the transaction. Income tax expense also rose, as the BOI promotion certificate for the crude palm oil production and distribution business and related products at the Tha Chana plant expired on January 18, 2024, resulting in revenue generated thereafter being subject to income tax without exemption. Overall, the increase in gross profit exceeded the increase in expenses, resulting in higher net profit compared to the previous year.

For fiscal year 2025, total sales revenue was THB 9,877.45 million and total cost of sales was THB 8,811.87 million, resulting in gross profit of THB 1,065.58 million, or a gross profit margin of 10.79%. Selling expenses for the period totaled THB 147.33 million, administrative expenses amounted to THB 253.00 million, and foreign exchange gain was THB 37.26 million. Consequently, operating profit reached THB 759.61 million, or an operating profit margin of 7.65%. Finance costs totaled THB 58.51 million and income tax expense was THB 23.95 million. Based on revenue and expenses for fiscal year 2025, net profit was THB 678.89 million, representing a net profit margin of 6.83%. Overall, operating results for fiscal year 2025 compared to the prior year showed increased sales revenue, primarily driven by higher crude palm oil and dried palm kernel sales volumes of 70,492

tons and 23,488 tons, or increases of 47.05% and 56.03%, respectively. These increases resulted from production volume growth attributable to external factors—specifically, the availability of raw materials for crude palm oil production. For fiscal year 2025, Thailand's fresh fruit bunch harvest volumes increased compared to the prior year due to favorable weather conditions and optimal rainfall levels—and internal factors, as the AL Palm Co., Ltd. plant was undergoing process improvements during the comparable period in the prior year, while all crude palm oil production facilities operated normally throughout fiscal year 2025. Additionally, average selling prices for crude palm oil and dried palm kernel remained elevated compared to the previous year, contributing to revenue growth for the period. Furthermore, gross profit for the period increased by THB 334.59 million, or 45.77%, resulting from increased raw material volumes compared to the prior year, which improved the gross profit margin. Regarding expenses compared to the prior year, selling expenses increased by THB 63.09 million, or 74.89%, in line with revenue growth. Meanwhile, administrative expenses decreased by THB 63.41 million, or 20.04%, as the prior year included downtime expenses of THB 114.73 million, whereas fiscal year 2025 incurred no such expenses. Other administrative expenses increased compared to the prior year due to IPO-related expenses, which constituted a one-time transaction. Finance costs increased by THB 10.01 million, or 20.65%, due to higher borrowings from financial institutions to pay the purchase consideration for the acquisition of ordinary shares in AL Palm Co., Ltd. under the share purchase agreement. Income tax expense decreased as deferred tax assets for accumulated losses of AL Palm Co., Ltd. were recognized. Overall, the increases in revenue and gross profit exceeded the increase in expenses, resulting in higher net profit compared to the previous year.

4.2 Financial Position Analysis

4.2.1 Assets

As of December 31, 2023, December 31, 2024, and December 31, 2025, total assets amounted to THB 2,638.92 million, THB 3,509.36 million, and THB 4,512.89 million, respectively. Significant asset categories comprised: cash and cash equivalents, restricted bank deposits, trade and other receivables, inventories, land, buildings and equipment, investment property, right-of-use assets, goodwill, and intangible assets.

As of December 31, 2023, total assets amounted to THB 2,638.92 million, an increase of THB 163.07 million or 6.59% from the prior year. The increase was attributable to: cash and cash equivalents increasing by THB 218.87 million due to cash reserves for fresh fruit bunch purchases in early the following year; right-of-use assets increasing by THB 37.81 million from additional lease contracts for business operations; and investments in joint ventures increasing by THB 20.00 million from a joint venture agreement with a business partner to establish a company to acquire a palm oil mill. Meanwhile, inventories decreased by THB 84.78 million. Overall, total assets as of December 31, 2023 increased compared to the prior year.

As of December 31, 2024, total assets amounted to THB 3,509.36 million, an increase of THB 870.44 million or 32.98% from the prior year. The significant increase resulted from the acquisition of shares in A.L. Palm Co., Ltd. ("AL") from its existing shareholders pursuant to Board of Directors' resolution No. 2/2024 dated January 27, 2024, which made AL another subsidiary. Consequently, AL's financial statements were consolidated from February 2, 2024 onward. The principal items contributing to the asset increase from this acquisition were: land, buildings and equipment of THB 494.46 million, and intangible assets of THB 48.22 million. Meanwhile, inventories increased by THB 290.29 million due to higher crude palm oil stock levels compared to the previous year.

As of December 31, 2025, total assets amounted to THB 4,512.89 million, an increase of THB 1,003.53 million or 28.60% from the prior year-end. The increase was attributable to the IPO, which, after deducting underwriting fees and other offering-related expenses, resulted in net proceeds of approximately THB 1,193.33 million, thereby increasing overall assets compared to the prior year-end.

Details of assets per the statement of financial position as of December 31, 2023, December 31, 2024, and December 31, 2025 are as follows:

(1) Current Assets

As of December 31, 2023, December 31, 2024, and December 31, 2025, the conglomerate's total current assets amounted to THB 899.67 million, THB 961.57 million, and THB 1,656.33 million, representing 34.09%, 27.46%, and 36.70% of total assets, respectively. Details of current assets are as follows:

Current Assets	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Cash and Cash Equivalents	556.06	21.07%	347.35	9.92%	722.94	16.02%
Trade and Other Receivables	168.91	6.40%	146.08	4.17%	117.03	2.59%
Inventories	166.54	6.31%	456.83	13.05%	801.90	17.77%
Derivative Assets	0.14	0.01%	-	-	-	-
Other Current Assets	8.02	0.30%	11.30	0.32%	14.46	0.32%
Total current assets	899.67	34.09%	961.57	27.46%	1,656.33	36.70%

Notes: /1 as a Percentage of Total Assets

(1.1) Cash and Cash Equivalents

For the crude palm oil production and distribution business and related products, bank transfers or cash are required to purchase fresh fruit bunches from farmers and external collection centers for use as raw materials in production. Consequently, cash flow forecasts must be prepared and sufficient cash reserves maintained to meet fresh fruit bunch purchasing requirements at any given time. For this reason, cash and cash equivalents represent a high proportion relative to other asset categories. As of December 31, 2023, December 31, 2024, and December 31, 2025, cash and cash equivalents totaled THB 556.06 million, THB 347.35 million, and THB 722.94 million, representing 21.07%, 9.92%, and 16.02% of total assets, respectively.

As of December 31, 2023, cash and cash equivalents increased by THB 218.87 million, or 64.91%, compared to the prior year, attributable to cash reserves set aside for the planned acquisition of a palm oil mill, which was under negotiation with the seller at that time. As of December 31, 2024, cash and cash equivalents decreased by THB 208.71 million, or 37.53%, compared to the prior year. The decline was attributable to the fact that during the comparable period in the prior year, cash had been reserved for the planned acquisition of a palm oil mill, resulting in abnormally high cash and cash equivalents in the previous year. As of December 31, 2025, cash and cash equivalents increased by THB 375.59 million, or 108.13%, compared to the prior year-end, attributable to cash proceeds from the IPO, which can be deployed in accordance with the stated capital-raising objectives. The funds have been progressively utilized for these designated purposes.

(1.2) Trade and Other Receivables

Trade and other receivables comprise: crude palm oil receivables, dried palm kernel receivables, electricity receivables, and other receivables. Credit terms to customers range from 3 to 60 days. (Based on current financial data, there are no past-due receivables.) Additionally, pursuant to Thai Financial Reporting Standard 9: Financial Instruments, expected credit losses must be recognized and changes in expected credit losses recorded to reflect credit risk, which is recorded as an allowance for expected credit losses. As of December 31, 2023, December 31, 2024, and December 31, 2025, trade and other receivables totaled THB 168.91 million, THB 146.08 million, and THB 117.03 million, representing 6.40%, 4.17%, and 2.59% of total assets, respectively. Details are as follows:

Trade and Other Receivables	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Trade Receivables	159.47	94.41%	137.82	94.34%	104.19	89.03%
Other Receivables	12.43	7.36%	8.27	5.66%	12.84	10.97%
Total Trade and Other Receivables	171.90	101.77%	146.08	100.00%	117.03	100.00%
(Less) Allowance for Expected Credit Losses	(2.99)	(1.77%)	-	-	-	-
Total Trade and Other Receivables - Net	168.91	100.00%	146.08	100.00%	117.03	100.00%

As of December 31, 2023, the conglomerate's trade and other receivables totaled THB 168.91 million, comprising trade receivables of THB 159.47 million and other receivables of THB 12.43 million, with an allowance for expected credit losses of THB 2.99 million. Trade receivables remained at levels comparable to the prior year, while other receivables decreased by THB 4.57 million. As of December 31, 2024, the conglomerate's trade and other receivables totaled THB 146.08 million, comprising trade receivables of THB 137.82 million and other receivables of THB 8.27 million. Trade receivables decreased by THB 21.65 million, or 13.58%, due to lower sales volume in late 2024 compared to the prior year, consistent with the increase in inventory levels during the same period. Other receivables decreased by THB 4.16 million. As of December 31, 2025, trade and other receivables totaled THB 117.03 million, comprising trade receivables of THB 104.19 million and other receivables of THB 12.84 million. Trade receivables decreased by THB 33.63 million, or 24.40%, due to lower outstanding receivables not yet due in late 2025 compared to late the prior year. Consequently, overall trade and other receivables decreased compared to the prior year-end.

(1.3) Inventories

Inventories comprise: finished goods, work in process, and factory materials and spare parts. Finished goods for the crude palm oil production and distribution business consist of crude palm oil and dried palm kernel. As of December 31, 2023, December 31, 2024, and December 31, 2025, the total inventories was THB 166.54 million, THB 456.83 million, and THB 801.90 million, representing 6.31%, 13.05%, and 17.77% of total assets, respectively. Details are as follows:

Inventories	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Finished Goods	133.44	80.12%	415.71	91.00%	756.77	94.37%
Work in Process	0.91	0.55%	2.26	0.50%	1.46	0.18%
Factory Materials and Spare Parts	32.19	19.33%	38.86	8.51%	43.67	5.45%
Total inventories	166.54	100.00%	456.83	100.00%	801.90	100.00%

As of December 31, 2023, inventories totaled THB 166.54 million, or 6.32% of total assets, comprising finished goods of THB 133.44 million, factory materials and spare parts of THB 32.19 million, and work in process of THB 0.91 million. Inventories decreased by THB 84.78 million, or 33.73%, compared to the prior year. The significant decline was attributable to a decrease in finished goods of THB 92.32 million, resulting from higher sales volume in late 2023 compared to the prior year. Meanwhile, factory materials and spare parts increased by THB 7.50 million. These factors resulted in lower inventories as of December 31, 2023 compared to the prior year.

As of December 31, 2024, inventories totaled THB 456.83 million, or 13.05% of total assets, comprising finished goods of THB 415.71 million, factory materials and spare parts of THB 38.86 million, and work in process of THB 2.26 million. Inventories increased by THB 290.29 million, or 174.31%, compared to the prior year. Finished goods inventory increased in accordance with the crude palm oil sales plan.

As of December 31, 2025, inventories totaled THB 801.90 million, or 17.77% of total assets, comprising finished goods of THB 756.77 million, factory materials and spare parts of THB 43.67 million, and work in process of THB 1.46 million. Inventories increased by THB 345.07 million, or 75.53%, compared to the prior year-end. The increase in finished goods was in line with the sales plan.

(1.4) Derivative Assets

Derivative assets are financial instruments used to manage foreign exchange rate risk arising from crude palm oil exports, which commenced in 2022 and have continued to the present. Sales contracts stipulate payment in U.S. dollars. Therefore, to mitigate foreign exchange rate risk, a foreign exchange risk management policy has been established through forward contracts (derivative instruments), which are recorded at fair value. Derivative assets began being recorded on the statement of financial position in 2023. As of December 31, 2023, derivative assets totaled THB 0.14 million, representing 0.01% of total assets. As of December 31, 2024 and December 31, 2025, there were no derivative assets as there were no outstanding foreign trade receivables not yet due.

(1.5) Other Current Assets

The other current assets include prepaid insurance, advance deposits, and other prepaid expenses. As of December 31, 2023, December 31, 2024, and December 31, 2025, other current assets totaled THB 8.02 million, THB 11.30 million, and THB 14.46 million, representing 0.30%, 0.32%, and 0.32% of total assets, respectively. As of December 31, 2023, other current assets increased by THB 3.05 million, or 61.23%, compared to the prior year. The increase was attributable to prepaid expenses, specifically property insurance premiums. As of December 31, 2024, other current assets increased by THB 3.28 million, or 40.90%, compared to the prior year. The increase was attributable to prepaid expenses, specifically property insurance premiums and system maintenance fees. As of December 31, 2025, other current assets increased by THB 3.16 million, or 27.95%, compared to the prior year-end. The increase was attributable to withholding tax and deposits for crude palm oil storage tank rental.

(2) Non-Current Assets

As of December 31, 2023, 2024, and 2025, total non-current assets amounted to THB 1,739.25 million, THB 2,547.79 million, and THB 2,856.56 million, representing 65.91%, 72.60%, and 63.30% of total assets, respectively. Details of the non-current assets are as follows:

Non-Current Assets	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Restricted Bank Deposits	90.20	3.42%	110.20	3.14%	118.70	2.63%
Investment in Joint Venture	20.00	0.76%	-	-	-	-
Investment Property	87.26	3.31%	149.50	4.26%	159.00	3.52%
Land, Buildings and Equipment	1,312.04	49.72%	1,929.05	54.97%	2,179.49	48.29%
Goodwill	-	0.00%	100.13	2.85%	100.13	2.22%
Intangible Assets	82.47	3.13%	117.34	3.34%	103.80	2.30%
Right-of-Use Assets	119.82	4.54%	129.86	3.70%	146.19	3.24%
Deferred Tax Assets	12.53	0.47%	9.71	0.28%	46.96	1.04%
Other Non-Current Assets	14.94	0.57%	2.01	0.06%	2.29	0.05%
Total non-current assets	1,739.25	65.91%	2,547.79	72.60%	2,856.56	63.30%

Notes: /1 as a Percentage of Total Assets

(2.1) Restricted Bank Deposits

Restricted bank deposits represent cash held in fixed deposit accounts that are pledged as collateral and therefore unavailable for internal use. Such pledges are required under promissory note (P/N) agreements with financial institutions. As of December 31, 2023, December 31, 2024, and December 31, 2025, the conglomerate's restricted bank deposits totaled THB 90.20 million, THB 110.20 million, and THB 118.70 million, representing 3.42%, 3.14%, and 2.63% of total assets, respectively. As of December 31, 2023, restricted bank deposits decreased by THB 19.80 million, or 18.00%, compared to the prior year. The decrease was attributable to lower promissory note borrowings. As of December 31, 2024, restricted bank deposits increased by THB 20.00 million, or 22.17%, compared to the prior year. The increase was attributable to higher promissory note borrowings. As of December 31, 2025, restricted bank deposits increased by THB 8.50 million, or 7.71%, compared to the prior year-end. The increase was attributable to higher borrowings from financial institutions.

(2.2) Investment in Joint Venture

Investment in joint venture represents the recorded investment in a jointly controlled entity. As of December 31, 2023, investment in joint venture totaled THB 20.00 million, or 0.76% of total assets. This investment was made pursuant to the resolution of Executive Committee Meeting No. 14/2023 held on November 29, 2023, which approved entry into a joint venture agreement with a business partner and the establishment of a joint venture company named Smothong Palm Oil (Kanchanaburi) Co., Ltd., with registered capital of THB 50.00 million, fully paid, with a 40.00% stake held, to facilitate the acquisition of a crude palm oil mill. The Board of Directors subsequently approved this joint venture participation at Board Meeting No. 1/2024 held on January 4, 2024. As of December 31, 2023, negotiations for the aforementioned acquisition were ongoing. Subsequently, at Board of Directors Meeting No. 4/2024 held on February 23, 2024, the Board resolved to cancel the planned acquisition of the palm oil mill and to dissolve Smothong Palm Oil (Kanchanaburi) Co., Ltd., consistent with the cancellation of the acquisition. Consequently, as of December 31, 2024 and December 31, 2025, no investment in joint venture appears in the financial statements for fiscal years 2024 and 2025.

(2.3) Investment Property

Investment property comprised real estate held for rental or sale. As of 31 December 2023, 31 December 2024, and 31 December 2025, investment property amounted to THB 87.26 million, THB 149.50 million, and THB 159.00 million, representing 3.31%, 4.26%, and 3.52% of total assets, respectively.

As of 31 December 2023, investment property amounted to THB 87.26 million, or 3.31% of total assets, remaining unchanged from the corresponding period of the previous year. As of 31 December 2024, investment property increased to THB 149.50 million, or 4.27% of total assets, representing an increase of THB 62.23 million, or 71.32%, from the previous year. This increase was attributable to the reclassification of land previously recorded under land, buildings and equipment to investment property. Such land had originally been acquired for the construction of an additional crude palm oil mill in Chumphon Province. Following the acquisition of shares in AL Palm Co., Ltd., which operates a crude palm oil mill in the same province, management decided to offer the land for sale.

As of 31 December 2025, investment property further increased to THB 159.00 million, or 3.52% of total assets, representing an increase of THB 8.50 million, or 7.71%, from the previous year. The increase was attributable to the reclassification of land previously recorded under land, buildings and equipment to investment property. The land had originally been acquired for use as a water retention area for the Saraburi plant. As it was no longer required for such purpose, it was leased to external parties.

(2.4) Land, Buildings and Equipment

Land, buildings and equipment comprise: land used for business operations, factory buildings, office buildings, fresh fruit bunch collection centers, machinery, production equipment, vehicles, and office equipment. As of December 31, 2023, December 31, 2024, and December 31, 2025, net land, buildings and equipment totaled THB 1,312.04 million, THB 1,929.05 million, and THB 2,179.49 million, representing 49.72%, 54.97%, and 48.29% of total assets, respectively. Details of land, buildings and equipment are as follows:

Land, Buildings and Equipment	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion[/1]	Million THB	Proportion[/1]	Million THB	Proportion[/1]
Land	279.11	21.27%	433.86	22.49%	522.37	23.97%
Buildings	345.86	26.36%	447.08	23.18%	470.43	21.58%
Machinery and Factory Equipment	579.90	44.20%	741.93	38.46%	877.97	40.28%
Tools	4.20	0.32%	3.82	0.20%	3.51	0.16%
Furniture, Fixtures and Office Equipment	10.22	0.78%	29.83	1.55%	42.59	1.95%
Vehicles	4.87	0.37%	6.14	0.32%	30.44	1.40%
Assets Under Construction and Installation	87.89	6.70%	266.40	13.81%	232.18	10.65%
Total Land, Buildings and Equipment	1,312.04	100.00%	1,929.05	100.00%	2,179.49	100.00%

As of December 31, 2023, land, buildings and equipment totaled THB 1,312.04 million, or 49.72% of total assets, comprising: land of THB 279.11 million, buildings of THB 345.86 million, machinery and factory equipment of THB 579.90 million, tools of THB 4.20 million, furniture, fixtures and office equipment of THB 10.22 million, vehicles of THB 4.87 million, and assets under construction and installation of THB 87.89 million. This represented a slight decrease of THB 8.74 million or 0.66% compared to the prior year.

As of December 31, 2024, land, buildings and equipment totaled THB 1,929.05 million, or 55.09% of total assets, comprising: land of THB 433.86 million, buildings of THB 447.08 million, machinery and factory equipment of THB 741.93 million, tools of THB 3.82 million, furniture, fixtures and office equipment of THB 29.83 million, vehicles of THB 6.14 million, and assets under construction and installation of THB 266.40 million. This represented an increase of THB 617.02 million or 47.03% compared to the prior year. The increase was attributable to the acquisition of shares in A.L. Palm Co., Ltd. ("AL") from its existing shareholders pursuant to the Board of Directors' resolution No. 2/2024 dated January 27, 2024, which resulted in an increase in land, buildings and equipment of THB 494.46 million. Additionally, during the year, the Smothong Group invested in production machinery improvements and had assets under construction and installation of THB 226.40 million for expansion projects at the Phanom and Tha Chana plants. These factors resulted in a significant increase in land, buildings and equipment.

As of December 31, 2025, the land, buildings and equipment totaled THB 2,179.49 million, or 48.29% of total assets, comprising: land of THB 522.37 million, buildings of THB 470.43 million, machinery and factory equipment of THB 877.97 million, tools of THB 3.51 million, furniture, fixtures and office equipment of THB 42.59 million, vehicles of THB 30.44 million, and assets under construction and installation of THB 232.18 million. This represented an increase of THB 250.44 million or 12.98% compared to the prior year-end. The primary driver was an increase in land of THB 88.51 million from the purchase of land to accommodate the construction of an additional crude palm oil production plant at the Phra Phrom branch in Nakhon Si Thammarat Province. Machinery and factory equipment increased by THB 136.04 million from the transfer of completed assets under construction and installation. These factors resulted in an overall increase in land, buildings and equipment compared to the prior year-end.

(2.5) Goodwill

Goodwill arose from the acquisition of shares in AL Palm Co., Ltd. ("AL") from its existing shareholders pursuant to the Board of Directors' resolution No. 2/2024 dated January 27, 2024. Goodwill is recorded as the excess of the business acquisition cost over the fair value of the net assets acquired. As of December 31, 2024 and December 31, 2025, the conglomerate recorded goodwill of THB 100.13 million and THB 100.13 million, representing 2.85% and 2.22% of total assets, respectively. Details of the goodwill recognition are as follows:

Lists	Value (Million THB)
Total Assets	548.21
Total Liabilities	3.33
Net Assets	544.87
Total Consideration for AL Acquisition	645.00
Goodwill	100.13

However, prior to the acquisition of shares in AL Palm Co., Ltd., the conglomerate prepared financial projections, engaged an independent appraiser to assess AL's asset values, and conducted a feasibility study for the AL investment to present to the Board of Directors for decision-making. At the Board meeting, directors inquired about the assumptions underlying the financial projections, expected returns, and the value proposition of the AL acquisition before unanimously approving the transaction. Following the transaction, the Board has continuously monitored AL-related initiatives, requiring management to regularly report AL-related plans to the Board.

In addition, an SEC-approved financial advisor was appointed to assess the business value of AL by comparing its enterprise value with its book value. The valuation results were reported to the Board of Directors' Meeting No. 2/2025 (prior to the conversion into a public company), held on 27 February 2025, at which the Board acknowledged that AL's appraised enterprise value exceeded its book value.

(2.6) Intangible Assets

Intangible assets comprised rights under power purchase agreements and computer software. As of December 31, 2023, December 31, 2024, and December 31, 2025, intangible assets amounted THB 82.47 million, THB 117.34 million, and THB 103.80 million, representing 3.13%, 3.34%, and 2.30% of total assets, respectively.

As of 31 December 2023, intangible assets decreased by THB 8.84 million, or 9.68%, from the previous year, primarily due to amortization. As of 31 December 2024, intangible assets increased by THB 34.87 million, or 42.29%, from the previous year to THB 117.34 million, mainly as a result of the recognition of rights under power purchase agreements acquired through the acquisition of shares in A.L. Palm Co., Ltd. As of 31 December 2025, intangible assets declined by THB 13.54 million, or 11.54%, from the previous year-end to THB 103.80 million, primarily due to amortization of intangible assets.

(2.7) Right-of-Use Assets

Right-of-use assets represent the present value of rights to use leased assets in business operations. As of December 31, 2023, December 31, 2024, and December 31, 2025, right-of-use assets totaled THB 119.82 million, THB 129.86 million, and THB 146.19 million, representing 4.54%, 3.71%, and 3.24% of total assets, respectively. As of December 31, 2023, right-of-use assets totaled THB 119.82 million, or 4.54% of total assets, an increase of THB 37.81 million or 46.11% compared to the prior year. The increase was attributable to the purchase of crude palm oil tanker trucks for internal crude palm oil transportation. As of December 31, 2024, right-of-use assets totaled THB 129.86 million, or 3.71% of total assets, an increase of THB 10.04 million or 8.38% compared to the prior year. The increase was attributable to additional hire-purchase agreements for vehicles and factory equipment to support business growth following the acquisition of shares in AL Palm Co., Ltd. Additionally, land lease agreements increased to support business operations. As of December 31, 2025, right-of-use assets totaled THB 146.19 million, or 3.24% of total assets, an increase of THB 16.34 million or 12.58% compared to the prior year-end. The increase was attributable to additional hire-purchase agreements for vehicles and factory equipment to support the business growth of A.L. Palm Co., Ltd., as well as land lease agreements to support the expansion of collection centers.

(2.8) Deferred Tax Assets

Deferred tax assets represent income tax recoverable in future periods arising from temporary tax differences. As of December 31, 2023, December 31, 2024, and December 31, 2025, deferred tax assets totaled THB 12.53 million, THB 9.71 million, and THB 46.96 million, representing 0.47%, 0.28%, and 1.04% of total assets, respectively. As of December 31, 2023, deferred tax assets showed no significant change compared to the prior year. As of December 31, 2024, deferred tax assets totaled THB 9.71 million, or 0.28%, a decrease of THB 2.82 million or 22.51% compared to the prior year. The decrease was attributable to the reversal of the allowance for doubtful trade receivables previously recognized, resulting in lower deferred tax assets. As of December 31, 2025, deferred tax assets totaled THB 46.96 million, or 1.04% of total assets, an increase of THB 37.26 million or 383.84% compared to the prior year. The significant increase was attributable to the recognition of deferred tax assets for tax-deductible accumulated losses of A.L. Palm Co., Ltd., resulting in a substantial increase in deferred tax assets.

(2.9) Other Non-Current Assets

Other non-current assets comprise: power purchase agreement guarantee deposits, advance deposits, and other guarantee deposits. As of December 31, 2023, December 31, 2024, and December 31, 2025, other non-current assets totaled THB 14.94 million, THB 2.01 million, and THB 2.29 million, representing 0.57%, 0.06%, and 0.05% of total assets, respectively.

As of December 31, 2023, other non-current assets totaled THB 14.94 million, or 0.57% of total assets, a significant increase of THB 13.62 million or 1,033.33% compared to the prior year. The increase was attributable to a THB 10 million deposit paid in late 2023 for the planned acquisition of a crude palm oil mill.

As of December 31, 2024, other non-current assets totaled THB 2.01 million, or 0.06% of total assets, a decrease of THB 12.93 million or 86.57% compared to the prior year. The decrease was attributable to the one-time deposit recorded in the prior year, resulting in a significant reduction in other non-current assets.

As of December 31, 2025, other non-current assets totaled THB 2.29 million, or 0.05% of total assets. For fiscal year 2025, other non-current assets remained at levels comparable to the prior year-end.

4.2.2 Liabilities

As of December 31, 2023, December 31, 2024, and December 31, 2025, total liabilities amounted to THB 1,289.36 million, THB 2,020.27 million, and THB 1,447.65 million, representing 48.86%, 57.57%, and 32.08% of total liabilities and shareholders' equity, respectively. Significant liability categories comprised: bank overdrafts and short-term borrowings from financial institutions, trade and other payables, long-term borrowings from financial institutions, and lease liabilities.

As of December 31, 2023, total liabilities amounted to THB 1,289.36 million, or 48.86% of total liabilities and shareholders' equity, an increase of THB 198.99 million or 18.25% compared to the prior year. The significant increase was primarily attributable to: an increase in short-term borrowings from financial institutions of THB 256.01 million, consistent with the increase in cash and cash equivalents reserved for fresh fruit bunch purchases as raw materials for production; and an increase in lease liabilities of THB 36.16 million, consistent with the increase in right-of-use assets as the conglomerate leased assets for business operations. Meanwhile, long-term borrowings from financial institutions decreased by THB 90.84 million from repayments. These factors resulted in a significant increase in total liabilities as of December 31, 2023 compared to the prior year.

As of December 31, 2024, total liabilities amounted to THB 2,020.27 million, or 57.57% of total liabilities and shareholders' equity, an increase of THB 730.91 million or 56.69% compared to the prior year. The significant increase was primarily attributable to the acquisition of shares in A.L. Palm Co., Ltd. ("AL") from its existing shareholders pursuant to the Board of Directors' resolution No. 2/2024 dated January 27, 2024, with partial financing through borrowings from financial institutions totaling THB 420.00 million.

As of December 31, 2025, total liabilities amounted to THB 1,447.65 million, or 32.08% of total liabilities and shareholders' equity, a decrease of THB 572.61 million or 28.34% compared to the prior year-end. The decrease resulted from: a reduction in bank overdrafts and short-term borrowings from financial institutions of THB 364.09 million, as the conglomerate used IPO proceeds designated for working capital to replace overdrafts and short-term borrowings; a reduction in long-term borrowings from financial institutions of THB 125.79 million, as IPO proceeds were also used to repay long-term loans incurred for capacity expansion; and a reduction in other short-term borrowings of THB 150.00 million from scheduled repayments of liabilities arising from the AL Palm Co., Ltd. acquisition. These reductions in individual liability items resulted in an overall decrease in total liabilities compared to the prior year-end.

Details of liabilities per the statement of financial position as of December 31, 2023, December 31, 2024, and December 31, 2025 are as follows:

(1) Current Liabilities

As of December 31, 2023, December 31, 2024, and December 31, 2025, total current liabilities amounted to THB 1,000.78 million, THB 1,305.23 million, and THB 918.88 million, representing 37.92%, 37.19%, and 20.36% of total liabilities and shareholders' equity, respectively. Details of the current liabilities are as follows:

Current Liabilities	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Bank Overdrafts and Short-Term Borrowings from Financial Institutions	800.01	30.32%	854.03	24.34%	490.00	10.86%
Other Short-Term Borrowings	-	0.00%	150.00	4.27%	-	0.00%
Trade and Other Payables	69.13	2.62%	85.93	2.45%	102.10	2.26%
Long-Term Borrowings - Current Portion	97.96	3.71%	171.01	4.87%	249.80	5.54%
Lease Liabilities - Current Portion	28.49	1.08%	31.11	0.89%	33.88	0.75%
Derivative Liabilities	0.32	0.01%	0.26	0.01%	0.21	0.00%
Other Current Liabilities	4.20	0.16%	12.89	0.36%	42.89	0.95%
Total current liabilities	1,000.78	37.92%	1,305.23	37.19%	918.88	20.36%

Notes: /1 as a Percentage of Total Liabilities and Shareholders' Equity

(1.1) Bank Overdrafts and Short-Term Borrowings from Financial Institutions

Bank overdrafts and short-term borrowings from financial institutions represent one source of short-term funding for purchasing fresh fruit bunches as raw materials for crude palm oil production. The conglomerate prepares cash flow forecasts and arranges sufficient cash to meet fresh fruit bunch purchasing requirements at any given time. This item typically fluctuates in correlation with cash and cash equivalents. As of December 31, 2023, December 31, 2024, and December 31, 2025, bank overdrafts and short-term borrowings from financial institutions totaled THB 800.01 million, THB 854.03 million, and THB 490.00 million, representing 30.32%, 24.34%, and 10.86% of total liabilities and shareholders' equity, respectively.

As of December 31, 2023, bank overdrafts and short-term borrowings from financial institutions totaled THB 800.01 million, comprising promissory notes of THB 780.00 million and trust receipt liabilities of THB 20.01 million, an increase of THB 256.01 million or 30.32% of total liabilities and shareholders' equity. As of December 31, 2024, bank overdrafts and short-term borrowings from financial institutions totaled THB 854.03 million, or 24.34% of total liabilities and shareholders' equity, comprising promissory notes of THB 850.00 million and trust receipt liabilities of THB 4.03 million, an increase of THB 54.02 million or 6.75% compared to the prior year. The increase was attributable to higher inventory levels in line with the conglomerate's sales plan. As of 31 December 2025, bank overdrafts and short-term borrowings from financial institutions amounted to THB 490.00 million, representing 10.86% of total liabilities and shareholders' equity, all of which consisted of promissory notes. This balance decreased by THB 364.03 million, or 42.62%, from the previous year-end, primarily due to the conglomerate's IPO, as a portion of the proceeds was allocated for working capital and used to replace bank overdrafts and short-term borrowings.

(1.2) Other Short-Term Loans

Other short-term loans arose from the assumption of A.L. Palm Co., Ltd.'s ("AL") liabilities, pursuant to the payment terms of the Share Purchase Agreement (SPA) between the Smothong Group and AL's former shareholders. The aforementioned loans were interest-free promissory notes guaranteed by the conglomerate, with the creditors being AL's former shareholders. The Share Purchase Agreement stipulated installment payments, with the final installment due on February 28, 2025. Consequently, statement of financial position as of December 31, 2024 reflected other short-term loans of THB 150.00 million, or 4.28% of total liabilities and shareholders' equity. As of December 31, 2025, this item no longer appeared in the statement of financial position as it had been fully repaid on schedule.

(1.3) Trade and Other Payables

As of December 31, 2023, December 31, 2024, and December 31, 2025, trade and other payables totaled THB 69.13 million, THB 85.93 million, and THB 102.10 million, representing 2.62%, 2.45%, and 2.26% of total liabilities and shareholders' equity, respectively. Details of trade and other payables are as follows:

Trade and Other Payables	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Trade payables	0.12	0.18%	0.02	0.02%	0.07	0.07%
Accured expenses	51.98	75.19%	43.55	50.69%	63.12	61.82%
Retention payables	3.78	5.46%	12.94	15.06%	9.09	8.90%
Other payables	13.25	19.17%	29.42	34.24%	29.82	29.21%
Total trade and other payables	69.13	100.00%	85.93	100.00%	102.10	100.00%

As of December 31, 2023, trade and other payables totaled THB 69.13 million, or 2.62% of total liabilities and shareholders' equity, an increase of THB 2.90 million or 4.38% compared to the prior year. The increase was attributable to an increase in accrued expenses of THB 9.11 million, resulting from approximately THB 13.00 million in pending payments for steam generator equipment. Meanwhile, other payables decreased by THB 3.27 million. Consequently, overall trade and other payables increased slightly compared to the prior year. As of December 31, 2024, trade and other payables totaled THB 85.93 million, or 2.45% of total liabilities and shareholders' equity, an increase of THB 16.80 million or 24.30% compared to the prior year. The increase was attributable to higher other payables arising from accrued construction-in-progress expenses at the Phanom and AL plants for which payment to contractors was not yet due.

As of December 31, 2025, trade and other payables totaled THB 102.10 million, or 2.26% of total liabilities and shareholders' equity, an increase of THB 16.17 million or 18.82% compared to the prior year-end. The increase was primarily attributable to an increase in accrued expenses of THB 19.57 million, arising from accrued bonuses payable in January 2026. Meanwhile, retention payables decreased by THB 3.85 million. Consequently, overall trade and other payables increased compared to the prior year.

(1.4) Derivative Liabilities

Derivative liabilities arose from interest rate swap agreements on borrowings with a financial institution, which were not designated as hedging instruments. As of December 31, 2023, December 31, 2024, and December 31, 2025, derivative liabilities totaled THB 0.32 million, THB 0.26 million, and THB 0.21 million, representing 0.01%, 0.01%, and 0.01% of total liabilities and shareholders' equity, respectively. These amounts fluctuate in accordance with the fair value of the interest rate swap agreements entered into with the financial institution.

(1.5) Other Current Liabilities

Other current liabilities comprise: income tax payable to government agencies and other liabilities. As of December 31, 2023, December 31, 2024, and December 31, 2025, other current liabilities totaled THB 4.20 million, THB 12.89 million, and THB 42.89 million, representing 0.16%, 0.37%, and 0.95% of total liabilities and shareholders' equity, respectively. Income tax payable represents income tax obligations that are unpaid but not yet due. As of December 31, 2023, December 31, 2024, and December 31, 2025, income tax payable totaled THB 1.52 million, THB 9.19 million, and THB 38.62 million, representing 0.06%, 0.26%, and 0.86% of total liabilities and shareholders' equity, respectively. Income tax payable correlates with annual income tax payments.

(2) Non-Current Liabilities

As of December 31, 2023, December 31, 2024, and December 31, 2025, total non-current liabilities amounted to THB 288.57 million, THB 715.04 million, and THB 528.78 million, representing 10.94%, 20.38%, and 11.72% of total liabilities and shareholders' equity, respectively. Details of the non-current liabilities are as follows:

Non-Current Liabilities	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Long-Term Borrowings - Net of Current Portion	169.65	6.43%	573.85	16.35%	369.27	8.18%
Lease Liabilities - Net of Current Portion	75.74	2.87%	80.84	2.30%	92.41	2.05%
Deferred Government Grants	16.57	0.63%	15.06	0.43%	13.55	0.30%
Deferred Tax Liabilities	2.00	0.08%	19.75	0.56%	21.71	0.48%
Employee Benefit Obligations	24.62	0.93%	25.54	0.73%	31.84	0.71%
Total Non-Current Liabilities	288.57	10.94%	715.04	20.38%	528.78	11.72%

Notes: /1 as a Percentage of Total Liabilities and Shareholders' Equity

(2.1) Borrowings from Financial Institutions

Borrowings from financial institutions represent loans obtained from financial institutions for the acquisition of fixed assets for business operations, such as construction of buildings, purchase of additional machinery, or factory building expansion, with installment payment terms. As of December 31, 2023, December 31, 2024, and December 31, 2025, long-term borrowings from financial institutions totaled THB 267.61 million, THB 744.86 million, and THB 619.07 million, representing 10.15%, 21.27%, and 13.72% of total liabilities and shareholders' equity, respectively. Details are as follows:

Borrowings from Financial Institutions	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Current Portion	97.96	36.61%	171.01	22.96%	249.80	40.35%
Non-Current Portion	169.65	63.39%	573.85	77.04%	369.27	59.65%
Total Borrowings from Financial Institutions	267.61	100.00%	744.86	100.00%	619.07	100.00%

As of December 31, 2023, borrowings from financial institutions totaled THB 267.61 million, or 10.15% of total liabilities and shareholders' equity, a decrease of THB 90.84 million or 25.34% compared to the prior year due to scheduled repayments of long-term borrowings. As of December 31, 2024, borrowings from financial institutions totaled THB 744.86 million, or 21.27% of total liabilities and shareholders' equity, an increase of THB 477.25 million or 178.34% compared to the prior year. The increase was attributable to THB 420.00 million in borrowings from financial institutions to repay other short-term loans, which were liabilities assumed from the acquisition of shares in A.L. Palm Co., Ltd., as part of the payment terms under the Share Purchase Agreement between the Smothong Group and AL's former shareholders. This resulted in a significant increase in long-term borrowings from financial institutions. As of December 31, 2025, borrowings from financial institutions totaled THB 619.07 million, or 13.72% of total liabilities and shareholders' equity, a decrease of THB 125.79 million or 16.89% compared to the prior year-end. The primary driver of the decrease was the conglomerate's repayment of borrowings from financial institutions using IPO proceeds, in accordance with the stated use of proceeds.

(2.2) Other Long-Term Borrowings

Other long-term borrowings represent loans for installing fire suppression systems, obtained from the Safety, Occupational Health and Environment Fund. As of December 31, 2023, other long-term borrowings totaled THB 0.67 million, or 0.03% of total liabilities and shareholders' equity. As of December 31, 2024 and December 31, 2025, no such borrowings existed as they had been fully repaid. Details of other long-term borrowings are as follows:

Other Long-Term Borrowings	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Current Portion	0.67	100.00%	-	0.00%	-	0.00%
Non-Current Portion	-	0.00%	-	0.00%	-	0.00%
Total Other Long-Term Borrowings	0.67	100.00%	-	0.00%	-	0.00%

As of December 31, 2023, other long-term borrowings totaled THB 0.67 million, or 0.03% of total liabilities and shareholders' equity, a decrease of THB 1.50 million or 69.04% compared to the prior year due to repayments of other long-term borrowings. As of December 31, 2024 and December 31, 2025, no other long-term borrowings, as all remaining other long-term borrowings were fully repaid in 2024.

(2.3) Lease Liabilities

Lease liabilities represent the present value of obligations arising from rights-of-use of leased assets utilized in business operations, corresponding to right-of-use assets. As of December 31, 2023, December 31, 2024, and December 31, 2025, lease liabilities totaled THB 104.23 million, THB 111.95 million, and THB 126.29 million, representing 3.95%, 3.20%, and 2.80% of total liabilities and shareholders' equity, respectively. Details are as follows:

Lease Liabilities	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Current Portion	28.49	27.34%	31.11	27.79%	33.88	26.83%
Non-Current Portion	75.74	72.66%	80.84	72.21%	92.41	73.17%
Total Lease Liabilities	104.23	100.00%	111.95	100.00%	126.29	100.00%

As of December 31, 2023, lease liabilities totaled THB 104.23 million, or 3.95% of total liabilities and shareholders' equity, an increase of THB 36.16 million or 53.12% compared to the prior year. The increase was attributable to the purchase of crude palm oil tanker trucks for internal crude palm oil transportation, consistent with the increase in right-of-use assets. As of December 31, 2024, lease liabilities totaled THB 111.95 million, or 3.20% of total liabilities and shareholders' equity, an increase of THB 7.72 million or 7.40% compared to the prior year. The increase was attributable to additional hire-purchase agreements for vehicles and factory equipment to support business growth following the acquisition of shares in A.L. Palm Co., Ltd., as well as additional land lease agreements for business operations, consistent with the increase in right-of-use assets. As of December 31, 2025, lease liabilities totaled THB 126.29 million, or 2.80% of total liabilities and shareholders' equity, an increase of THB 14.34 million or 12.81% compared to the prior year-end. The increase was attributable to additional hire-purchase agreements for vehicles and factory equipment to support business growth following the acquisition of shares in A.L. Palm Co., Ltd., as well as additional land lease agreements for business operations, consistent with the increase in right-of-use assets.

(2.4) Deferred Government Grants

Deferred government grants represent grants received from the government to support wastewater treatment pond construction. These grants are amortized to income over the useful life of the wastewater treatment ponds, which is 20 years. As of December 31, 2023, December 31, 2024, and December 31, 2025, deferred government grants totaled THB 16.57 million, THB 15.06 million, and THB 13.55 million, representing 0.63%, 0.43%, and 0.30% of total liabilities and shareholders' equity, respectively. As of December 31, 2023, deferred government grants totaled THB 16.57 million, or 0.63% of total liabilities and shareholders' equity, a decrease of THB 1.51 million or 8.34% compared to the prior year due to recognition of grant income in operating results for fiscal year 2023. As of December 31, 2024, deferred government grants totaled THB 15.06 million, or 0.43% of total liabilities and shareholders' equity, a decrease of THB 1.51 million or 9.12% compared to the prior year due to recognition of grant income in operating results for fiscal year 2024. As of December 31, 2025, deferred government grants totaled THB 13.55 million, or 0.30% of total liabilities and shareholders' equity, a decrease of THB 1.51 million compared to the prior year-end due to recognition of grant income in operating results for fiscal year 2025.

(2.5) Deferred Tax Liabilities

Deferred tax liabilities represent the amount of income tax expected to be payable in future periods, arising from temporary differences in taxable income multiplied by the tax rate. As of December 31, 2023, December 31, 2024, and December 31, 2025, deferred tax liabilities totaled THB 2.00 million, THB 19.75 million, and THB 21.71 million, representing 0.08%, 0.56%, and 0.48% of total liabilities and shareholders' equity, respectively. As of December 31, 2024, deferred tax liabilities totaled THB 19.75 million, or 0.56% of total liabilities and shareholders' equity, an increase of THB 17.75 million or 889.10% compared to the prior year. The increase resulted from the expiration of BOI tax benefits for the crude palm oil production and distribution business and related products at the Tha Chana plant, necessitating higher estimated income tax provisions. As of December 31, 2025, deferred tax liabilities totaled THB 21.71 million, or 0.48% of total liabilities and shareholders' equity, at levels comparable to the prior year.

(2.6) Employee Benefit Obligations

Employee benefit obligations represent provisions for all post-employment benefits due to employees, such as one-time payments upon termination, pensions, or other benefits upon departure, in accordance with Thai Accounting Standard 19: Employee Benefits. These provisions fluctuate based on employee-related factors such as headcount, years of service, and minimum statutory compensation. As of December 31, 2023, December 31, 2024, and December 31, 2025, employee benefit obligations totaled THB 24.62 million, THB 25.54 million, and THB 31.84 million, representing 0.93%, 0.73%, and 0.71% of total liabilities and shareholders' equity, respectively. As of December 31, 2023, employee benefit obligations totaled THB 24.62 million, or 0.93% of total liabilities and shareholders' equity, an increase of THB 3.11 million or 14.47% compared to the prior year. As of December 31, 2024, employee benefit obligations totaled THB 25.54 million, or 0.73% of total liabilities and shareholders' equity, an increase of THB 0.92 million or 3.75% compared to the prior year. The increase was attributable to the acquisition of shares in A.L. Palm Co., Ltd., which resulted in an increase in employee headcount. As of December 31, 2025, employee benefit obligations totaled THB 31.84 million, or 0.71% of total liabilities and shareholders' equity, an increase of THB 6.30 million or 24.66% compared to the prior year-end. The increase was attributable to the hiring of additional permanent employees to support the increased workload from A.L. Palm Co., Ltd.

4.2.3 Shareholders' Equity

As of December 31, 2023, December 31, 2024, and December 31, 2025, total shareholders' equity amounted to THB 1,349.56 million, THB 1,489.09 million, and THB 3,065.24 million, representing 51.14%, 42.52%, and 67.92% of total liabilities and shareholders' equity, respectively. Details of shareholders' equity are as follows:

Shareholders' Equity	December 31, 2023		December 31, 2024		December 31, 2025	
	Million THB	Proportion/1	Million THB	Proportion/1	Million THB	Proportion/1
Registered Capital	688.40	26.09%	688.40	19.62%	920.00	20.39%
Issued and Fully Paid-Up Share Capital	688.40	26.09%	688.40	19.62%	920.00	20.39%
Share Premium on Ordinary Shares	12.94	0.49%	12.94	0.37%	991.83	21.98%
Surplus from Changes in Shareholding Proportion in Subsidiary	22.72	0.86%	22.72	0.65%	22.72	0.50%
Retained Earnings						
Appropriated – Legal Reserve	62.47	2.37%	68.81	1.96%	92.00	2.04%
Unappropriated	515.54	19.54%	648.75	18.49%	991.23	21.96%
Total Equity Attributable to Owners of the Company	1,302.05	49.34%	1,441.61	41.08%	3,017.78	66.87%
Non-Controlling Interests in Subsidiary	47.51	1.80%	47.49	1.35%	47.46	1.05%
Total Shareholders' Equity	1,349.56	51.14%	1,489.09	42.43%	3,065.24	67.92%

Notes: /1 as a Percentage of Total Liabilities and Shareholders' Equity

As of December 31, 2023, total shareholders' equity amounted to THB 1,349.56 million, or 51.14% of total liabilities and shareholders' equity, a decrease of THB 35.93 million or 2.59% compared to the prior year. The decrease was attributable to dividend payments, while net profit for fiscal year 2023 resulted in a net decrease in retained earnings of THB 36.28 million, leading to lower shareholders' equity compared to the prior year. As of December 31, 2024, total shareholders' equity amounted to THB 1,489.09 million, or 42.43% of total liabilities and shareholders' equity, an increase of THB 139.53 million or 10.34% compared to the prior year. The increase was attributable to interim dividend payments of THB 120.47 million during fiscal year 2024, while net profit for fiscal year 2024 totaled THB 259.62 million, resulting in a net increase in retained earnings of THB 139.55 million. As of December 31, 2025, total shareholders' equity amounted to THB 3,065.24 million, or 67.92% of total liabilities and shareholders' equity, an increase of THB 1,693.92 million or 123.52% compared to the prior year-end. The increase was attributable to two interim dividend payments during fiscal year 2025 totaling THB 310.00 million, while registered capital increased by THB 1,210.49 million from the Initial Public Offering (IPO), and total comprehensive income for fiscal year 2025 totaled THB 675.75 million, resulting in higher shareholders' equity compared to the prior year.

4.3 Cash Flow Analysis

Statement of Cash Flows (Million Baht)	2023	2024	2025
Net Cash Provided by (Used in) Operating Activities	476.50	250.86	616.44
Net Cash Provided by (Used in) Investing Activities	(138.75)	(415.23)	(465.20)
Net Cash Provided by (Used in) Financing Activities	(118.88)	(44.34)	224.35
Net Increase (Decrease) in Cash and Cash Equivalents	218.87	(208.71)	375.59
Cash and Cash Equivalents at Beginning of Year	337.19	556.06	347.35
Cash and Cash Equivalents at End of Year	556.06	347.35	722.94

For fiscal years 2023, 2024, and 2025, net increase (decrease) in cash and cash equivalents was THB 218.87 million, (THB 208.71) million, and THB 375.59 million, respectively. Details are summarized as follows:

For fiscal year 2023, net increase in cash and cash equivalents totaled THB 218.87 million, comprising the following activities:

(1) Operating Activities

The conglomerate generated net cash from operating activities of THB 476.50 million, derived from profit from operations before changes in operating assets and liabilities of THB 436.56 million, together with a decrease in inventories of THB 84.81 million and an increase in trade and other payables of THB 5.60 million.

(2) Investing Activities

The conglomerate used net cash in investing activities of THB 138.75 million, primarily from cash expenditures for fixed asset investments including construction of the main office building at the front of the Tha Chana plant and investments in machinery efficiency improvements at various plants totaling THB 138.30 million, and investment in a joint venture of THB 20.00 million. Meanwhile, restricted bank deposits decreased by THB 19.80 million.

(3) Financing Activities

The conglomerate used net cash in financing activities of THB 118.88 million, comprising cash receipts from short-term borrowings from financial institutions of THB 256.01 million, together with dividend payments of THB 254.71 million and repayments of long-term borrowings from financial institutions of THB 119.50 million.

From the above activities, the conglomerate generated cash flow from (1) operating activities of THB 476.50 million, used cash in (2) investing activities of THB 138.75 million, and used cash in (3) financing activities of THB 118.88 million, resulting in a net increase in cash and cash equivalents of THB 218.87 million. With cash at the beginning of fiscal year 2023 of THB 337.19 million, the conglomerate's cash and cash equivalents at year-end totaled THB 556.06 million.

For fiscal year 2024, the conglomerate's net decrease in cash and cash equivalents totaled THB 208.71 million, comprising the following activities:

(1) Operating Activities

The conglomerate generated net cash from operating activities of THB 250.86 million, derived from profit from operations before changes in operating assets and liabilities of THB 563.28 million, together with an increase in inventories of THB 289.77 million and an increase in trade payables of THB 10.18 million.

(2) Investing Activities

Net cash in investing activities of THB 415.23 million, primarily from cash used to acquire AL shares of THB 65.00 million and capital expenditures for non-current assets including machinery improvements for AL's production process and capacity expansion at the Phanom plant, as well as installation of a new fresh fruit bunch sterilizer at the Tha Chana plant, totaling approximately THB 352.22 million. Meanwhile, the conglomerate received cash from the dissolution of the joint venture investment of THB 19.81 million.

(3) Financing Activities

Net cash used in financing activities totaled THB 44.34 million, comprising cash receipts from long-term borrowings from financial institutions of THB 595.37 million for the acquisition of shares in A.L. Palm Co., Ltd. and production machinery improvements, and cash receipts from short-term borrowings from financial institutions of THB 54.02 million. Meanwhile, AL's other short-term loans to AL's former owners of THB 420.00 million were repaid pursuant to the Share Purchase Agreement, long-term borrowings from financial institutions of THB 118.12 million were repaid, and interim dividends of THB 120.47 million were paid.

From the above activities, cash flow was generated from (1) operating activities of THB 250.86 million, used in (2) investing activities of THB 415.23 million, and used in (3) financing activities of THB 44.34 million, resulting in a net decrease in cash and cash equivalents of THB 208.71 million. With cash at the beginning of fiscal year 2024 of THB 556.06 million, cash and cash equivalents at year-end totaled THB 347.35 million.

For fiscal year 2025, cash and cash equivalents increased by THB 375.59 million compared to the prior year-end, resulting from the following activities:

(1) Operating Activities

Net cash from operating activities of THB 616.44 million, derived from cash profit from operations for the period before changes in operating assets and liabilities of THB 1,024.35 million. Significant changes in operating assets and liabilities included: an increase in trade and other receivables of THB 29.30 million, a decrease in inventories of THB 371.41 million, and an increase in trade and other current payables of THB 24.71 million.

(2) Investing Activities

Net cash in investing activities of THB 465.20 million, comprising restricted bank deposits of THB 8.50 million, with the remainder invested in new machinery to replace existing equipment and improve plant efficiency, as well as continued capacity expansion at the Phanom plant that began in fiscal year 2024.

(3) Financing Activities

Net cash in financing activities of THB 224.35 million, comprising cash receipts from the IPO of THB 1,210.49 million and long-term borrowings from financial institutions of THB 280.23 million to repay other short-term loans representing part of the consideration for the acquisition of shares in AL Palm Co., Ltd. pursuant to the Share Purchase Agreement of THB 150.00 million, with the remainder borrowed for machinery improvements at the Phanom and AL Crude palm plant Meanwhile, during the period, the conglomerate repaid short-term borrowings from financial institutions of THB 364.03 million, repaid long-term borrowings from financial institutions of THB 406.02 million, and repaid lease liability principal of THB 36.23 million.

From the above activities, cash flow generated from (1) operating activities of THB 616.44 million, used cash in (2) investing activities of THB 465.20 million, and used cash in (3) financing activities of THB 224.35 million, resulting in a net increase in cash and cash equivalents of THB 375.59 million. With cash at the beginning of fiscal year 2025 of THB 347.35 million, cash and cash equivalents at the end of fiscal year 2025 totaled THB 722.94 million.

4.4 Analysis of Key Financial Ratios

4.4.1 Liquidity Ratios

Lists	Unit	2023	2024	2025
Current Ratio	Times	0.90	0.74	1.80
Quick Ratio	Times	0.72	0.38	0.91
Cash Flow Liquidity Ratio	Times	0.54	0.22	0.55
Trade Receivables Turnover Ratio	Times	33.82	39.70	75.08
Average Collection Period	Days	11	9	5
Finished Goods Turnover Ratio	Times	29.71	20.00	14.98
Average Finished Goods Selling Period	Days	12	18	24
Inventory Turnover Ratio	Times	25.54	17.72	14.00
Average Inventory Selling Period	Days	14	21	26
Trade Payables Turnover Ratio	Times	78.83	71.22	93.73
Average Payment Period	Days	5	5	4
Cash Cycle	Days	20	25	27

(1.1) Current Ratio and Quick Ratio

As of December 31, 2023, December 31, 2024, and December 31, 2025, the current ratio was 0.90 times, 0.74 times, and 1.80 times, respectively, while the quick ratio was 0.72 times, 0.38 times, and 0.91 times, respectively. A current ratio exceeding 1.0 times reflects sufficient liquidity to settle current liabilities in the future.

As of December 31, 2023, the current ratio stood at 0.90 times and quick ratio at 0.72 times. The current ratio declined from the prior year, while the quick ratio increased slightly. As of December 31, 2023, a higher ratio of cash and cash equivalents to inventories resulted in divergent movements between the two ratios. Additionally, the current ratio declined from the prior year due to an increase in bank overdrafts and short-term borrowings from financial institutions within current liabilities, while cash and cash equivalents increased at a lower rate, resulting in an overall decrease in the current ratio compared to the prior year. As of December 31, 2024, the current ratio stood at 0.74 times and quick ratio at 0.38 times. Both ratios decreased from the prior year due to capacity expansion through the acquisition of shares in AL Palm Co., Ltd. in February 2024 and investments in production machinery improvements at AL, financed through borrowings from financial institutions and excess cash flow. This transaction reduced cash on hand. Furthermore, increased production capacity resulted in higher working capital requirements, which were sourced through borrowings from financial institutions. Consequently, both ratios declined compared to the prior year. As of December 31, 2025, the current ratio stood at 1.80 times and quick ratio at 0.91 times. Both ratios improved from the prior year-end, resulting from increased cash and cash equivalents due to the Initial Public Offering (IPO) and higher inventories in line with the sales plan. Current liabilities decreased due to lower short-term borrowings from financial institutions, while trade payables for the period increased as purchases were made and trade credit received pursuant to commercial agreements without exceeding payment terms. Consequently, both ratios improved compared to the prior year-end.

(1.2) Cash Cycle

he cash cycle for fiscal years 2023, 2024, and 2025 was 20 days, 25 days, and 27 days, respectively. The average collection period was 11 days, 9 days, and 5 days, respectively, average inventory selling period was 14 days, 21 days, and 26 days, respectively, while the average payment period was 5 days, 5 days, and 4 days, respectively. A lower average number of days indicates improved operating cash flow management capability.

For fiscal year 2023, the cash cycle was 20 days, comprising an average collection period of 11 days, average inventory selling period of 14 days, and average payment period of 5 days. The cash cycle for fiscal year 2023 decreased compared to the prior year due to a shorter average inventory selling period resulting from lower finished goods values compared to the prior year, which was driven by late-year sales. Meanwhile, the average collection period increased for the same reasons. The average payment period increased due to higher accrued expenses. Consequently, the overall cash cycle improved compared to the prior year. For fiscal year 2024, the cash cycle was 25 days, comprising an average collection period of 9 days, average inventory selling period of 21 days, and average payment period of 5 days. The cash cycle increased compared to the prior year due to a longer average inventory selling period resulting from higher finished goods values compared to the prior year, in line with the crude palm oil sales plan. Meanwhile, the average collection period decreased for the same reasons. The average payment period remained at the same level as the prior year. Consequently, the overall cash cycle increased compared to the prior year. For fiscal year 2025, the cash cycle was 27 days, comprising an average collection period of 5 days, average inventory selling period of 26 days, and average payment period of 4 days. The cash cycle increased compared to the prior year due to a longer average inventory selling period resulting from higher inventory values in line with the sales plan. Meanwhile, both the average collection period and average payment period decreased slightly. However, as the increase in average inventory selling period exceeded the decreases in average collection period and average payment period, the cash cycle increased slightly compared to the prior year-end.

4.4.2 Profitability Ratios

Lists	Unit	2023	2024	2025
Gross Profit Margin	%	9.31%	11.69%	10.79%
Operating Profit Margin	%	4.32%	5.54%	7.69%
Other Income to Total Revenue Ratio	%	0.19%	0.13%	0.57%
Cash to Profitability Ratio	%	187.58%	72.44%	81.15%
Net Profit Margin	%	3.71%	4.15%	6.83%
Return on Equity (ROE)	%	16.00%	18.29%	29.81%

(2.1) Gross Profit Margin and Operating Profit Margin

For fiscal years 2023, 2024, and 2025, gross profit margin was 9.31%, 11.69%, and 10.79%, respectively, while operating profit margin was 4.32%, 5.54%, and 7.69%, respectively. Gross profit margin compares gross profit to net sales revenue, while operating profit margin compares operating profit to net sales revenue.

For fiscal year 2023, gross profit margin was 9.31%, an increase compared to the prior year due to improved cost management resulting from a raw material procurement strategy focused on selecting high-quality fresh fruit bunches for production, which increased the oil extraction rate and directly reduced average crude palm oil costs. Meanwhile, operating profit margin was 4.32%, consistent with the increase in gross profit. Selling and administrative expenses totaled THB 277.17 million, a slight increase compared to the prior year. Consequently, both gross profit margin and operating profit margin improved compared to the prior year. For fiscal year 2024, gross profit margin was 11.69%, while operating profit margin was 5.54%. Gross profit increased compared to the prior year due to a higher proportion of export sales. During a certain period, domestic and international crude palm oil prices moved divergently, with international crude palm oil prices exceeding domestic prices before returning to normal conditions, while fresh fruit bunch prices trended upward in line with domestic crude palm oil prices. This was a key factor contributing to the higher gross profit margin compared to the prior year. Selling and administrative expenses totaled THB 400.65 million, a significant increase compared to the prior year due to increased expenses from A.L. Palm Co., Ltd. following the share acquisition in February 2024. Consequently, operating profit margin increased at a lower rate than gross profit margin. For fiscal year 2025, gross profit margin was 10.79%, while operating profit margin was 7.69%. Gross profit margin decreased compared to the prior year due to lower-than-normal fresh fruit bunch supply in early fiscal year 2025, resulting in intense competition for raw material procurement and reduced gross profit margin. The situation began normalizing in the second quarter. Consequently, overall gross profit margin decreased compared to the prior year. Selling expenses increased compared to the prior year, driven by higher crude palm oil transportation-related expenses in line with increased sales volume. Meanwhile, administrative expenses as a proportion of revenue decreased due to revenue growth. Consequently, operating profit margin increased compared to the prior year.

(2.2) Net Profit Margin and Return on Equity

For fiscal years 2023, 2024, and 2025, net profit margin was 3.71%, 4.15%, and 6.83%, respectively, while return on equity was 16.00%, 18.29%, and 29.81%, respectively. For fiscal year 2023, net profit margin was 3.71%, an increase due to higher gross profit. Meanwhile, selling and administrative expenses increased slightly by THB 20.37 million, resulting in higher operating profit. Finance costs increased compared to the prior year. These factors resulted in a higher net profit margin compared to the prior year, consistent with the increase in return on equity. For fiscal year 2024, net profit margin was 4.15%, a slight increase compared to the prior year, resulting from higher gross profit. Meanwhile, selling and administrative expenses increased by THB 123.48 million, and finance costs also increased due to interest on borrowings from financial institutions used to fund the acquisition of shares in A.L. Palm Co., Ltd. However, gross profit increased more than expenses, resulting in a higher net profit margin compared to the prior year, consistent with the increase in return on equity. For fiscal year 2025, net profit margin was 6.83%, an increase compared to the prior year, resulting from higher sales compared to the prior year. Meanwhile, gross profit decreased slightly, while selling expenses increased in line with sales volume. Administrative expenses increased, but when calculated as a proportion of sales revenue, the administrative expense ratio decreased. However, the increases in sales and gross profit exceeded expense increases, resulting in higher net profit compared to the prior year, consistent with the increase in return on equity.

4.4.3 Efficiency Ratios

Lists	Unit	2023	2034	2025
Return on Assets (ROA)	%	8.55%	8.45%	16.93%
Return on Fixed Assets	%	30.24%	28.90%	44.34%
Asset Turnover Ratio	Times	2.30	2.04	2.48

(3.1) Return on Assets and Return on Fixed Assets

For fiscal years 2023, 2024, and 2025, return on assets was 8.55%, 8.45%, and 16.93%, respectively, while return on fixed assets was 30.24%, 28.90%, and 44.34%, respectively. Higher return on assets and return on fixed assets indicate superior asset management capability.

For fiscal year 2023, return on assets was 8.55%, an increase from the prior year due to fiscal year 2023 operating results, while total assets increased slightly. Return on fixed assets was 30.24%. Fixed assets as of year-end 2023 were comparable to the prior year, resulting in return on fixed assets increasing more than return on assets. For fiscal year 2024, return on assets was 8.45% and return on fixed assets was 28.90%, both decreasing compared to the prior year. In fiscal year 2024, a significant milestone was achieved through business expansion via the acquisition of shares in AL Palm Co., Ltd., resulting in an increase in total assets of THB 862.99 million. Meanwhile, net profit increased by THB 40.84 million compared to the prior year. Consequently, both return on assets and return on fixed assets decreased. However, following the AL acquisition in February 2024, production machinery improvements were undertaken and commercial operations commenced in September 2024. For fiscal year 2025, return on assets was 16.93% and return on fixed assets was 44.34%, both increasing compared to the prior year-end, resulting from fiscal year 2025 operating results, which showed increased net profit compared to the prior year. Meanwhile, total assets increased by THB 1,003.53 million and fixed assets increased by THB 250.44 million. Overall, total assets increased from the IPO, while fixed assets increased from investments in additional plant improvements to enhance production efficiency and environmental performance, as well as acquisition of additional assets to support the establishment of an additional crude palm oil production plant. However, as the increase in operating results exceeded the increase in assets, both return on assets and return on fixed assets increased compared to the prior year-end.

(3.2) Asset Turnover Ratio

For fiscal years 2023, 2024, and 2025, asset turnover ratio was 2.30 times, 2.04 times, and 2.48 times, respectively. A higher asset turnover ratio demonstrates superior capability to utilize assets to generate revenue. For fiscal year 2023, asset turnover ratio decreased due to a decline in revenue of THB 976.28 million, while total assets increased by THB 163.07 million. The decline in revenue resulted from significantly elevated global crude palm oil prices in fiscal year 2022 due to the Russia-Ukraine conflict, which had driven crude palm oil sales revenue higher. For fiscal year 2024, asset turnover ratio decreased due to the acquisition of shares in AL Palm Co., Ltd. and investments in production machinery improvements at AL, resulting in an increase in total assets of THB 862.99 million. Meanwhile, revenue increased by THB 366.95 million. As the increase in assets exceeded the increase in revenue, asset turnover ratio decreased compared to the prior year. For fiscal year 2025, asset turnover ratio increased compared to the prior year, resulting from higher revenue driven by sales volume growth, which stemmed from business expansion through the acquisition of shares in AL Palm Co., Ltd. This resulted in increased crude palm oil production capacity and power generation capacity. AL's plant commenced commercial operations in September 2024. The increase in revenue resulted in higher asset turnover ratio compared to the prior year.

4.4.4 Financial Policy Ratios

Lists	Unit	2023	2024	2025
Debt to Equity Ratio	Times	0.96	1.35	0.47
Interest Coverage Ratio (ICR)	Times	12.94	11.39	16.59
Interest-Bearing Debt to EBITDA Ratio	Times	2.71	3.08	1.25
Debt Service Coverage Ratio (DSCR)	Times	0.47	0.53	1.28
Dividend Payout Ratio	%	38.71 %	46.40 %	72.78 %

(4.1) Debt to Equity Ratio

As of December 31, 2023, December 31, 2024, and December 31, 2025, debt to equity ratio was 0.96 times, 1.35 times, and 0.47 times, respectively.

For fiscal year 2023, debt to equity ratio increased due to an increase in liabilities of THB 198.99 million, or 18.25% from the prior year, resulting from higher short-term borrowings from financial institutions to reserve cash for the planned acquisition of a palm oil mill, which was under negotiation with the seller at that time. Meanwhile, shareholders' equity decreased by THB 35.93 million, or 2.59% from the prior year, resulting from dividend payments from fiscal year 2022 operating results and interim dividend payments in fiscal year 2023.

For fiscal year 2024, debt to equity ratio increased due to an increase in liabilities of THB 723.46 million, or 56.11% from the prior year. The increase resulted from borrowings from financial institutions to acquire ordinary shares in A.L. Palm Co., Ltd. and invest in production machinery improvements at AL. Meanwhile, shareholders' equity increased by THB 139.53 million, or 10.34% from the prior year, resulting from fiscal year 2024 operating results less interim dividend payments during fiscal year 2024.

For fiscal year 2025, debt to equity ratio decreased due to a decrease in liabilities of THB 572.61 million, or 28.34% from the prior year, primarily attributable to repayments of borrowings from financial institutions. Meanwhile, shareholders' equity increased from fiscal year 2025 operating results less interim dividend payments during fiscal year 2025, and registered capital increased from the IPO by THB 1,210.49 million. Consequently, overall debt to equity ratio decreased compared to the prior year.

(4.2) Interest Coverage Ratio (ICR)

For fiscal years 2023, 2024, and 2025, interest coverage ratio was 12.94 times, 11.39 times, and 16.59 times, respectively. A ratio below 0 times indicates that the conglomerate has negative cash flow from operations, while a ratio below 1.0 times indicates that the conglomerate must rely on cash flows from sources other than operating cash flow to service interest payments.

For fiscal year 2023, interest coverage ratio was 12.94 times, an increase compared to the prior year due to an increase in earnings before interest, taxes, depreciation and amortization (EBITDA) of THB 95.81 million, or 28.39%, compared to the prior year. Meanwhile, interest expense increased by THB 3.83 million, or 12.94%, compared to the prior year. As the increase in EBITDA resulting from improved fiscal year 2023 operating results exceeded the increase in finance costs, the interest coverage ratio improved compared to the prior year.

For fiscal year 2024, interest coverage ratio was 11.39 times, a decrease compared to the prior year due to an increase in interest expense of THB 15.24 million, or 45.52%, compared to the prior year. Meanwhile, EBITDA increased by THB 121.76 million, or 28.10%, compared to the prior year. The increase in finance costs was primarily attributable to interest on borrowings from financial institutions used to repay liabilities arising from the acquisition of AL Palm Co., Ltd., which exceeded the increase in EBITDA, resulting in a lower interest coverage ratio compared to the prior year. For fiscal year 2025, interest coverage ratio was 16.59 times, an increase compared to the prior year due to an increase in EBITDA of THB 436.46 million, or 78.64%. The increase in EBITDA resulted from improved operating results for the year compared to the prior year. Interest expense increased as additional borrowings were drawn from financial institutions to pay the purchase consideration for the acquisition of ordinary shares in A.L. Palm Co., Ltd. pursuant to the Share Purchase Agreement. However, as the increase in EBITDA exceeded the increase in interest expense, interest coverage ratio improved compared to the prior year.

(4.3) Interest-Bearing Debt to EBITDA Ratio

For fiscal years 2023, 2024, and 2025, interest-bearing debt to EBITDA ratio was 2.71 times, 3.08 times, and 1.25 times, respectively. For fiscal year 2023, interest-bearing debt to EBITDA ratio was 2.71 times, a decrease compared to the prior year due to an increase in EBITDA of THB 95.81 million, or 28.39%, compared to the prior year. Meanwhile, interest-bearing debt increased by THB 199.83 million, or 20.54%, from the prior year. As the increase in EBITDA exceeded the increase in interest-bearing debt, overall interest-bearing debt to EBITDA ratio improved compared to the prior year. For fiscal year 2024, interest-bearing debt to EBITDA ratio was 3.08 times, an increase compared to the prior year due to an increase in interest-bearing debt of THB 538.32 million, or 45.91%. Meanwhile, EBITDA increased by THB 121.76 million, or 28.10%, compared to the prior year. The increase in interest-bearing debt was primarily attributable to borrowings from financial institutions used to repay liabilities arising from the acquisition of AL Palm Co., Ltd., which exceeded the increase in EBITDA, resulting in a higher overall interest-bearing debt to EBITDA ratio compared to the prior year. For fiscal year 2025, interest-bearing debt to EBITDA ratio was 1.25 times, a decrease compared to the prior year due to an increase in EBITDA resulting from improved operating results for fiscal year 2025 compared to the prior year. Meanwhile, interest-bearing debt decreased by THB 475.48 million, or 27.79%, compared to the prior year-end, as borrowings from financial institutions were repaid using operating cash flows and IPO proceeds in accordance with the stated use of IPO proceeds. These two factors resulted in a lower interest-bearing debt to EBITDA ratio compared to the prior year.

(4.4) Debt Service Coverage Ratio (DSCR)

For 2023, 2024, and 2025, the conglomerate's debt service coverage ratio was 0.47 times, 0.53 times, and 1.28 times, respectively. In this regard, if the ratio is below 0 times, it indicates that the conglomerate has negative cash flow from operations. If the ratio is below 1.0 times, it indicates that the conglomerate is required to rely on cash flows from sources other than operating cash flow to meet obligations due within one year. The improvement in the debt service coverage ratio was consistent with the increase in the interest coverage ratio.

In 2023, the conglomerate's debt service coverage ratio was 0.47 times, representing a decrease from the previous year. This was because obligations due within one year increased by THB 253.76 million, or 37.69%, from the previous year, while the conglomerate's EBITDA increased by THB 95.81 million, or 28.39%, over the same period. As the increase in obligations due within one year outpaced the increase in EBITDA, the overall debt service coverage ratio declined from the previous year.

In 2024, the conglomerate's debt service coverage ratio improved to 0.53 times from the previous year. This was attributable to an increase in the corporation's EBITDA of THB 121.76 million, or 28.10%, compared to the previous year, while obligations due within one year increased by THB 129.02 million, or 13.92%. As the growth in EBITDA, driven by improved operating performance in 2024, exceeded the increase in obligations due within one year, the overall debt service coverage ratio improved from the previous year.

In 2025, the conglomerate's debt service coverage ratio increased significantly to 1.28 times from the previous year. This was mainly attributable to stronger operating performance in 2025, while obligations due within one year decreased by THB 282.47 million, or 26.74%, from the previous year-end. The decrease was primarily due to the conglomerate's use of proceeds from the IPO as working capital to replace a portion of its short-term borrowings, in line with the stated use of proceeds. As a result of these factors, the conglomerate's debt service coverage ratio improved from the previous year.

(4.5) Dividend Payout Ratio

For 2023, 2024, and 2025, the conglomerate's dividend payout ratio was 38.71%, 46.40%, and 72.78%, respectively. The dividends were declared in accordance with resolutions of the Board of Directors or the shareholders' meeting, as applicable.

However, the dividend payout ratio for 2025 has not yet taken into account the annual dividend for 2025, for which the Board of Directors' Meeting No. 2/2026, held on 26 February 2026, resolved to approve and propose for consideration by the shareholders at the 2026 Annual General Meeting of Shareholders, scheduled for 29 April 2026, a dividend payment at the rate of THB 0.20 per share, representing a total dividend payment of THB 184.00 million. Including such proposed dividend, the dividend payout ratio for 2025 would be 72.78%.

4.5 Factors That May Affect Future Operating Results or Financial Position (Forward-Looking)

4.5.1 Impact Following the Expiration of Tax Incentives Granted by the Board of Investment under the Investment Promotion Act B.E. 2520 (1977), Subject to the Prescribed Conditions

The conglomerate has been granted tax incentives by the Board of Investment under the Investment Promotion Act B.E. 2520 (1977), subject to the prescribed conditions. The details of the last dates on which the conglomerate may exercise the privileges granted under the investment promotion certificates are as follows.

Crude Palm Oil Production and Distribution Business			Electricity Generation and Distribution Business	
Smothong Group Public Co., Ltd.		A.L. Palm Co., Ltd.	Smothong Group Public Co., Ltd.	Mitprasong Green Power Co., Ltd.
Phanom branch	Saraburi branch		Phanom branch	
April 2, 2027	April 29, 2026	5 years from the date on which the investment promotion certificate was first utilized	January 27, 2029	August 26, 2029

Notes: A.L. Palm Co., Ltd. has not yet begun to utilize the tax privileges granted under its investment promotion certificate. The term of the certificate will commence only upon exercise of such privileges.

However, the conglomerate may consider investing in new machinery to replace existing machinery that has deteriorated through usage in the future. Such investment may qualify for investment promotion privileges from the Board of Investment. The availability of such tax incentives will, however, depend on the applicable laws and the level of government support in effect at the relevant time. If the conglomerate does not receive BOI privileges, the relevant portion of profit before income tax will be subject to corporate income tax at the normal rate of 20%, which would adversely affect the conglomerate's operating results, as profits that would otherwise have been exempt from tax would instead become subject to corporate income tax at the applicable rate.

4.5.2 Investment in the Phra Phrom Crude Palm Oil Mill Project

Pursuant to the resolution of the Board of Directors' Meeting No. 6/2025 of Smothong Group Public Company Limited, held on 12 November 2025, Has approved the acquisition of assets in connection with an investment project involving the purchase of land located in Chang Sai Subdistrict, Phra Phrom District, Nakhon Si Thammarat Province, and the construction of a crude palm oil mill with a production capacity of approximately 75 tonnes of fresh palm fruit per hour, with a total investment value of not more than THB 960.00 million.

Once construction of the above crude palm oil mill has been completed and commercial operations have commenced, the conglomerate's crude palm oil production capacity will increase by 75 tonnes of fresh palm fruit per hour, resulting in the conglomerate's total production capacity increasing to 315 tonnes of fresh palm fruit per hour. Such additional capacity does not yet include the increase in production capacity from the Phanom branch crude palm oil mill, which is currently undergoing machinery installation and is expected to commence operations by April 2026. Including the additional capacity from the Phanom branch mill, crude palm oil production capacity would increase to 390 tonnes of fresh palm fruit per hour.

The increase in the crude palm oil production capacity is expected to enable the conglomerate to increase the volume of products available for sale, in line with the current global crude palm oil industry trend of steadily rising demand. Based on data from the Office of Agricultural Economics over the past five years, global demand for crude palm oil grew at a compound annual growth rate (CAGR) of 2.1%, representing an average annual increase in demand of approximately 3.1 million tonnes. Accordingly, the expansion of the business through the purchase of land and construction of the Phra Phrom crude palm oil mill is expected to enhance the conglomerate's ability to generate stronger operating results and deliver higher returns to shareholders on a sustainable basis over the long term.

4.6 Key Financial Information

4.6.1 Summary of the Auditor's Reports

Audited Financial Statements	:	Consolidated and separate financial statements for the accounting period of 2023, ended 31 December 2023
Auditor	:	Ms. Sutthirak Fakon, Certified Public Accountant Registration No. 7712, of EY Office Limited (an auditor approved by the Office of the SEC)
Audit Opinion	:	The auditor expressed an unqualified opinion that the consolidated financial statements of the company and its subsidiaries, and the separate financial statements of the conglomerate, including the statements of financial position as at 31 December 2023, and the statements of profit or loss and cash flows for the year then ended, present fairly, in all material respects, in accordance with financial reporting standards.
Audited Financial Statements	:	Consolidated and separate financial statements for the accounting period of 2024, ended 31 December 2024
Auditor	:	Ms. Sutthirak Fakon, Certified Public Accountant Registration No. 7712, of EY Office Limited (an auditor approved by the Office of the SEC)
Audit Opinion	:	The auditor expressed an unqualified opinion that the consolidated financial statements of the company and its subsidiaries, and the separate financial statements of the conglomerate, including the statements of financial position as at 31 December 2024, and the statements of profit or loss and cash flows for the year then ended, present fairly, in all material respects, in accordance with financial reporting standards.
Audited Financial Statements	:	Consolidated and separate financial statements for the accounting period of 2025, ended 31 December 2025
Auditor	:	Ms. Sutthirak Fakon, Certified Public Accountant Registration No. 7712, of EY Office Limited (an auditor approved by the Office of the SEC)
Audit Opinion	:	The auditor expressed an unqualified opinion that the consolidated financial statements of the company and its subsidiaries, and the separate financial statements of the conglomerate, including the statements of financial position as at 31 December 2025, and the statements of profit or loss and cash flows for the year then ended, present fairly, in all material respects, in accordance with financial reporting standards.

4.6.2 Statements of Financial Position

Statements of Financial Position	31 December 2023		31 December 2024		31 December 2025	
	Million THB	Proportion	Million THB	Proportion	Million THB	Proportion
Current assets						
Cash and cash equivalents	556.06	21.07%	347.35	9.90%	722.94	16.02%
Trade and other receivables	168.91	6.40%	146.08	4.16%	117.03	2.59%
Inventories	166.54	6.31%	456.83	13.02%	801.90	17.77%
Derivative assets	0.14	0.01%	-	-	-	-
Other current assets	8.02	0.30%	11.30	0.32%	14.46	0.32%
Total current assets	899.67	34.09%	961.57	27.40%	1,656.33	36.70%
Non-current assets						
Bank deposits pledged as collateral	90.20	3.42%	110.20	3.14%	118.70	2.63%
Investment in joint venture	20.00	0.76%	-	-	-	-
Investment properties	87.26	3.31%	149.50	4.26%	159.00	3.52%
Land, buildings and equipment	1,312.04	49.72%	1,929.05	54.97%	2,179.49	48.29%
Goodwill	-	-	100.13	2.85%	100.13	2.22%
Intangible assets	82.47	3.13%	117.34	3.34%	103.80	2.30%
Right-of-use assets	119.82	4.54%	129.86	3.70%	146.19	3.24%
Deferred tax assets	12.53	0.47%	9.71	0.28%	46.96	1.04%
Other non-current assets	14.94	0.57%	2.01	0.06%	2.29	0.05%
Total non-current assets	1,739.25	65.91%	2,547.79	72.60%	2,856.56	63.30%
Total assets	2,638.92	100.00%	3,509.36	100.00%	4,512.89	100.00%
Current liabilities						
Short-term borrowings from financial institutions	800.01	30.32%	854.03	24.34%	490.00	10.86%
Other short-term borrowings	-	-	150.00	4.27%	-	-
Trade and other payables	69.13	2.62%	85.93	2.45%	102.10	2.26%
Current portion of						
- Long-term borrowings	98.63	3.74%	171.01	4.87%	249.80	5.54%
- Lease liabilities	28.49	1.08%	31.11	0.89%	33.88	0.75%
Derivative liabilities	0.32	0.01%	0.26	0.01%	0.21	0.00%
Other current liabilities	4.20	0.16%	12.89	0.11%	42.89	0.95%
Total current liabilities	1,000.78	37.92%	1,305.23	37.19%	918.88	20.36%
Non-current liabilities						
Net of current portion of						
- Long-term borrowings	169.65	6.43%	573.85	16.35%	369.27	8.18%
- Lease liabilities	75.74	2.87%	80.84	2.30%	92.41	2.05%
Statements of Financial Position	16.57	0.63%	15.06	0.43%	13.55	0.30%
	2.00	0.08%	19.75	0.56%	21.71	0.48%

Statements of Financial Position	31 December 2023		31 December 2024		31 December 2025	
	Million THB	Proportion	Million THB	Proportion	Million THB	Proportion
Deferred government grants	24.62	0.93%	25.54	0.73%	31.84	0.71%
Deferred tax liabilities	288.57	10.94%	715.04	20.38%	528.78	11.72%
Provision for long-term employee benefits	1,289.36	48.86%	2,020.27	57.57%	1,447.65	32.08%
Total non-current liabilities						
Total liabilities	688.40	26.09%	688.40	19.62%	920.00	20.39%
Shareholders' equity	688.40	26.09%	688.40	19.62%	920.00	20.39%
Registered share capital	12.94	0.49%	12.94	0.37%	991.83	21.98%
Issued and fully paid-up share capital	22.72	0.86%	22.72	0.65%	22.72	0.50%
Share premium						
Capital surplus from changes in ownership interests in subsidiary	62.47	2.37%	68.81	1.96%	92.00	2.04%
Retained earnings	515.54	19.54%	648.75	18.49%	991.23	21.96%
Appropriated - statutory reserve	1,302.05	49.34%	1,441.61	41.08%	3,017.78	66.87%
Unappropriated	47.51	1.80%	47.49	1.35%	47.46	1.05%
Equity attributable to owners of the Company	1,349.56	51.14%	1,489.09	42.43%	3,065.24	67.92%
Non-controlling interests of the subsidiaries	2,638.92	100.00%	3,509.36	100.00%	4,512.89	100.00%
Total shareholders' equity						
Total liabilities and shareholders' equity						

4.6.3 Statements of Comprehensive Income

Statements of Comprehensive Income	2023		2024		2025	
	Million THB	Proportion	Million THB	Proportion	Million THB	Proportion
Revenue from sales of goods	5,752.10	97.59%	6,133.19	97.96%	9,711.30	98.32%
Cost of sales of goods	5,265.60	89.34%	5,450.98	87.18%	8,732.63	88.41%
Gross profit from the crude palm oil and related products business	**486.50**	**8.25%**	**682.21**	**11.12%**	**978.67**	**10.08%**
Revenue from electricity sales	130.98	2.22%	119.64	1.91%	166.15	1.68%
Cost of electricity sales	69.84	1.18%	70.86	1.13%	79.24	0.80%
Gross profit from the biogas-fueled electricity generation and distribution business	Million THB	Proportion	Million THB	Proportion	Million THB	Proportion
Other income	11.07	0.19%	8.26	0.13%	57.10	0.58%
Profit before expenses	558.70	9.48%	739.25	11.82%	1,122.68	11.37%
Selling and distribution expenses	89.31	1.52%	84.24	1.35%	147.33	1.49%
Administrative expenses	167.20	2.84%	201.68	3.22%	253.00	2.56%

Statements of Comprehensive Income	2023		2024		2025	
	Million THB	Proportion	Million THB	Proportion	Million THB	Proportion
Expenses related to non-operating segments	20.65	0.35%	114.73	1.83%	-	-
Foreign exchange (gains) losses	27.51	0.47%	(7.69)	(0.12%)	(37.26)	(0.38%)
Operating profit	254.02	4.31%	346.29	5.53%	759.61	7.69%
Finance income	1.60	0.03%	2.29	0.04%	1.74	0.02%
Finance costs	(33.45)	(0.57%)	(48.49)	(0.77%)	(58.51)	(0.59%)
Profit before income tax	222.18	3.77%	300.09	4.79%	702.84	7.12%
Income tax	(3.40)	(0.06%)	(40.47)	(0.65%)	(23.95)	(0.24%)
Profit for the year	218.78	3.71%	259.62	4.15%	678.89	6.87%
Actuarial gain on post-employment benefits, net of income tax	-		0.38		3.14	
Other comprehensive income for the year						
Total comprehensive income for the year	-		0.38		3.14	
Gross profit from the biogas-fueled electricity generation and distribution business	218.78		260.00		675.75	

4.6.4 Statements of Cash Flows

Statements of Cash Flows	2023	2024	2025
	Million THB	Million THB	Million THB
Cash flows from operating activities			
Profit (loss) before income tax	**222.18**	**300.09**	**702.84**
Adjustments to reconcile profit before income tax to cash receipts (payments) from operating activities			
Depreciation and amortization	179.24	208.74	231.88
Expected credit loss allowance	1.08	-	-
Reversal of write-down of inventories to net realizable value	(0.03)	3.01	26.34
Loss on return of capital from joint venture	-	0.19	-
Reversal of impairment allowance for machinery	-	(2.78)	-
Loss on disposal/write-off of buildings, equipment and intangible assets	0.54	7.58	4.70
Recognition of deferred government grant income	(1.51)	(1.51)	(1.51)
Increase in provision for long-term employee benefits	3.20	1.24	2.94
(Unrealized gain) loss on fair value adjustment of financial derivative instruments	0.17	0.26	0.21
Unrealized foreign exchange gain	(0.16)	-	-
oss on lease termination	-	0.25	0.17
Finance income	(1.60)	(2.29)	(1.74)
Finance costs	33.45	48.49	58.51

Statements of Cash Flows	2023 Million THB	2024 Million THB	2025 Million THB
Operating profit before changes in operating assets and liabilities	436.56	563.28	1,024.35
Operating assets (increase) decrease			
Trade and other receivables	10.12	26.31	29.30
Inventories	84.81	(289.77)	(371.41)
Other current assets	(2.90)	(2.19)	(0.99)
Other non-current assets	(13.62)	2.97	(0.28)
Operating liabilities increase (decrease)			
Trade and other payables	5.60	10.18	24.71
Other current liabilities	(1.76)	0.66	0.57
Employee benefit obligations paid	(0.09)	(0.30)	(0.57)
Cash generated from operations	518.72	311.14	705.69
Interest received	0.53	0.99	1.74
Interest paid	(33.47)	(48.71)	(59.76)
Income tax paid	(9.28)	(12.56)	(31.22)
Net cash flows from (used in) operating activities	476.50	250.86	616.44
Decrease (increase) in bank deposits pledged as collateral	19.80	(20.00)	(8.50)
Cash paid for acquisition of investment in subsidiary	-	(65.00)	-
Cash paid for acquisition of investment in joint venture	(20.00)	-	-
Cash received from disposal of equipment	0.73	3.19	0.52
Cash paid for acquisition of land, buildings and equipment	(138.30)	(352.22)	(456.64)
Cash paid for acquisition of intangible assets	(0.97)	(1.01)	(0.58)
Net cash flows from (used in) investing activities	(138.75)	(415.23)	(465.20)
Increase in bank overdrafts and short-term borrowings from financial institutions	256.01	54.02	(364.03)
Repayment of other short-term borrowings	-	(420.00)	(150.00)
Cash received from long-term borrowings from financial institutions	28.65	595.37	280.23
Repayment of long-term borrowings from financial institutions	(119.50)	(118.12)	(406.02)
Repayment of other borrowings	(1.50)	(0.67)	-
Repayment of principal of lease liabilities	(27.83)	(34.47)	(36.23)
Cash received from capital increase	-	-	1,210.49
Dividends paid	(254.71)	(120.47)	(310.10)
Net cash flows from (used in) financing activities	(118.88)	(44.34)	224.35
Net increase (decrease) in cash and cash equivalents	218.87	(208.71)	375.59
Cash and cash equivalents at beginning of year	337.19	556.06	347.35
Cash and cash equivalents at end of year	556.06	347.35	722.94

4.6.5 Key Financial Ratios

Key Financial Ratios	Unit	2023	2024	2025
Liquidity Ratios				
Current ratio	Times	0.90	0.74	1.80
Quick ratio	Times	0.72	0.38	0.91
Cash ratio	Times	0.54	0.22	0.55
Trade receivables turnover ratio	Times	33.82	39.70	75.08
Average collection period*	Days	11	9	5
Finished goods turnover ratio	Times	29.71	20.00	14.98
Finished goods holding period*	Days	12	18	24
Inventory turnover ratio	Times	25.54	17.72	14.00
Average inventory holding period*	Days	14	21	26
Payables turnover ratio	Times	78.83	71.22	93.73
Average payment period*	Days	5	5	4
Cash cycle	Days	20	25	27
Profitability Ratios				
Gross profit margin	%	9.31%	11.69%	10.79%
Operating profit margin	%	4.32%	5.54%	7.69%
Other income to total revenue ratio	%	0.19%	0.13%	0.57%
Cash to profit ratio	%	187.58%	72.44%	81.15%
Net profit margin	%	3.71%	4.15%	6.83%
Return on equity	%	16.00%	18.29%	29.81%
Efficiency Ratios				
Return on assets	%	8.55%	8.45%	16.93%
Return on fixed assets	%	30.24%	28.90%	44.34%
Total asset turnover ratio	Times	2.30	2.04	2.48

Key Financial Ratios	Unit	2023	2024	2025
Financial Policy Ratios				
Debt-to-equity ratio	Times	0.96	1.35	0.47
Interest coverage ratio (ICR)	Times	12.94	11.39	16.59
Interest-bearing debt to EBITDA	Times	2.71	3.08	1.25
Debt Service Coverage Ratio (DSCR)	Times	0.47	0.53	1.28
Dividend payout ratio	%	38.71 %	46.40 %	72.78%/1

Notes:

*The number of days used in the calculation is 365 days per year.

/1 The dividend payout ratio for 2025 includes the annual dividend for 2025, which was approved by the Board of Directors' Meeting No. 2/2026, held on 26 February 2026, and proposed for shareholders' consideration at the 2026 Annual General Meeting of Shareholders on 29 April 2026, at a dividend rate of THB 0.20 per share, representing a total amount of THB 184.00 million.

1). The current ratio is calculated by dividing current assets by current liabilities.

2). The quick ratio is calculated by dividing cash and bank deposits plus trade and other receivables by current liabilities.

3). The finished goods turnover ratio is calculated by dividing cost of sales by average finished goods inventory.

4). The inventory turnover ratio is calculated by dividing cost of sales by average inventory.

5). The cash cycle is calculated as the sum of the average collection period and the average inventory holding period, less the average payment period.

6). Return on equity is calculated by dividing net profit by average shareholders' equity.

7). Return on assets is calculated by dividing net profit by average total assets.

8). The other income ratio is calculated by dividing other income by total revenue.

9). Return on fixed assets is calculated by dividing net profit plus depreciation by average fixed assets.

10). The interest coverage ratio ("ICR") is calculated by dividing EBITDA, being earnings before interest expense and income tax plus depreciation and amortization of intangible assets, by interest expense.

11). Interest-bearing debt to EBITDA is calculated by dividing interest-bearing debt by EBITDA, being earnings before interest expense and income tax plus depreciation and amortization of intangible assets.

12). The debt service coverage ratio ("DSCR") is calculated by dividing EBITDA, being earnings before interest expense and income tax plus depreciation and amortization of intangible assets, by the sum of short-term interest-bearing liabilities and current portion of long-term interest-bearing liabilities due within one year.

13). Interest-bearing debt comprises liabilities to financial institutions, other long-term borrowings, and finance lease liabilities.

14). The dividend payout ratio is calculated by dividing total dividends paid, comprising interim dividends and annual dividends, by net profit for the period.

5. General Information and Other Significant Information

5.1 Information

5.1.1 Company Information

Thai Company Name	:	บริษัท กลุ่มสมอทอง จำกัด (มหาชน)
English Company Name	:	SMOTHONG GROUP Public Company Limited
Stock Ticker Symbol	:	SMO
Date of Incorporation	:	January 4, 2017
Date of Conversion to Public Company	:	March 21, 2025
Company Registration Number	:	0107568000060
Type of Business	:	Production and distribution of Crude Palm Oil (CPO), Palm Kernels, and by-products from the manufacturing process, and the production of electricity from biogas fuel.
Head Office	:	119/1 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani 84170, Thailand
Branch 1	:	333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani 84250, Thailand
Branch 2	:	199/2 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani 84170, Thailand
Branch 3	:	199 Moo 10, Na Kratam Subdistrict, Tha Sae District, Chumphon 86140, Thailand
Branch 4	:	33/3 Moo 1, Nong Rong Sub-district, Nong Khae District, Saraburi 18140, Thailand
Branch 5	:	87 The Jas Ramintra Building, Room No. JS2RTK207, Lat Pla Khao Road, Anusawari Sub-district, Bang Khen District, Bangkok 10220
Telephone	:	077-951-470
Facsimile	:	077-951-471 and 077-951-472
Website	:	www.smothonggroup.com
Registered Capital	:	920,000,000 baht divided into 920,000,000 ordinary shares
Par Value	:	1 baht

5.1.2 Information on Entities in which the Company holds a Direct Equity Interest of 10% or more of the Total Paid-up Shares

As of December 31, 2025, the Company's investment structure in its subsidiaries is detailed as follows:

Subsidiaries	Registered Capital (THB Million)	Paid-up Capital (THB Million)	Shareholding Proportion (%)
(1) A L Palm Company Limited	480.00	480.00	99.99 %
(2) Mitprasong Greenpower Company Limited	70.00	70.00	99.99 %
(3) TEAM Evolution Company Limited	90.00	90.00	49.44 %

(1) A L Palm Company Limited ("AL")

Thai Company Name	:	บริษัท เอ แอล ปาล์ม จำกัด
English Company Name	:	A L Palm Company Limited
Date of Incorporation	:	November 24, 2010
Company Registration Number	:	0105553145375
Type of Business	:	Production and distribution of Crude Palm Oil (CPO), Palm Kernels, and by-products from the manufacturing process, and the production of electricity from biogas fuel.
Head Office	:	87 The Jas Ramintra Building, Room No. JS2RTK207, Lat Pla Khao Road, Anusawari Sub-district, Bang Khen District, Bangkok 10220
	:	173-173/1 Moo 4, Thung Tako District, Chumphon 86220
Registered Capital	:	480,000,000 baht
Paid-up Capital	:	480,000,000 baht
Par Value per Share	:	100 baht
Percentage of Shareholding by the Company	:	99.99%

(2) MITPRASONG GREENPOWER Company Limited ("MGP")

Thai Company Name	:	บริษัท มิตรประสงค์กรีนเพาเวอร์ จำกัด
English Company Name	:	MITPRASONG GREENPOWER Company Limited
Date of Incorporation	:	June 14, 2010
Company Registration Number	:	0845553003451
Type of Business	:	Operates the generation and distribution of electricity.
Head Office	:	199 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani 84170, Thailand
Registered Capital	:	70,000,000 baht
Paid-up Capital	:	70,000,000 baht
Par Value per Share	:	100 baht
Percentage of Shareholding by the Company	:	99.99%

(3) TEAM EVOLUTION Company Limited ("TEAM")

Thai Company Name	:	บริษัท ทีมอีโวลูชั่น จำกัด
English Company Name	:	TEAM EVOLUTION Company Limited
Date of Incorporation	:	August 15, 2014
Company Registration Number	:	0845557006233
Type of Business	:	No commercial operations have commenced.
Head Office	:	119/5 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani 84170, Thailand
Registered Capital	:	90,000,000 baht
Paid-up Capital	:	90,000,000 baht
Par Value per Share	:	100 baht
Percentage of Shareholding by the Company	:	49.44 %

5.1.3 Securities Registrar

Company Name	:	Thailand Securities Depository Co., Ltd. ("TSD")
Head Office	:	93, The Stock Exchange of Thailand Building, Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok
Telephone	:	02-009-9000 or TSD Call center 02-009-9999
Fax	:	02-009-9991
Website	:	www.set.or.th/tsd

5.1.4 Auditor

Company Name	:	EY Office Limited
Head Office	:	1875 One Bangkok Tower 3, Level 34 - 37, Rama 4 Road, Lumphini, Pathumwan, Bangkok
Telephone	:	02-264-9090
Fax	:	02-264-0789 – 90
Website	:	www.ey.com

5.1.5 Financial Advisor

Company Name	:	Asset Pro Management Co., Ltd.
Head Office	:	999/9, The Offices at Central World, 10th Floor, Room 1011 – 1012, Rama 1 Road, Pathum Wan Sub-district, Pathum Wan District, Bangkok
Telephone	:	02-264-5678
Fax	:	02-264-5679
Website	:	www.apmassetpro.com

5.1.6 Legal Advisor

Company Name	:	Wuttisarn Law Office (Wuttisarn Co., Ltd.)
Head Office	:	1783/82 Soi Lat Phrao 35/1, Lat Phrao Road, Sam Sen Nok Sub-district, Huai Khwang District, Bangkok 10310
Telephone	:	081-618-2458
Fax	:	-
Website	:	-

5.1.7 Internal Control System Auditor

Company Name	:	DIA Audit Co., Ltd.
Head Office	:	316/32 Soi Sukhumvit 22, Khlong Toei Sub-district, Khlong Toei District, Bangkok
Telephone	:	02- 259-5300
Fax	:	02- 259-8956
Website	:	www.diaaudit.com

5.2 Other Key Information

5.2.1 Key Laws and Regulations Related to the Group's Business Operations

The primary business operations of the Group are subject to various laws. The significant laws related to the Group's core business operations are detailed as follows:

(1) Factory-related Laws

The Factory Act B.E. 2535 (1992) (including its amendments) ("Factory Act") aims to facilitate and provide flexibility for factory operations. A "factory" is defined as a building, place, or vehicle utilizing machinery with a total capacity of fifty horsepower or more, or employing fifty or more workers, with or without machinery, for factory operations. Factory operations must comply with the Factory Act and obtain relevant licenses required under the Act.

In the business of producing and distributing crude palm oil and related products, the Group utilizes machinery and labor in quantities that fall under the definition of a factory operation. Consequently, the Group must comply with and take necessary actions to obtain the relevant licenses as prescribed by the Factory Act.

(2) Renewable Energy Business Laws

The Energy Industry Act B.E. 2550 (2007) ("Energy Industry Act") aims to promote sufficient and secure energy services while ensuring fairness for both energy users and licensees. Under this Act, "Energy Business" refers to electricity business, natural gas business, or energy network system business. Engaging in energy business, whether for compensation or not, requires compliance with the Energy Industry Act and the acquisition of relevant licenses.

For the business of producing and distributing electricity from biogas fuel, the Group must comply with and take actions to obtain the relevant licenses as prescribed by the Energy Industry Act.

(3) Laws Related to Businesses Hazardous to Health

The Public Health Act B.E. 2535 (1992) (including its amendments) ("Public Health Act") empowers local government authorities to issue local ordinances to specify types of businesses hazardous to health that must be controlled within that locality. This includes establishing criteria and conditions for operators of such businesses, as well as businesses that require a permit from local officials.

In this regard, the local ordinance governing the control of businesses hazardous to health (B.E. 2557/2014) applies to the locality where the Group's business is situated. Issued under the Public Health Act, this ordinance designates agricultural-related operations involving the pressing or extraction of oil from plants within the Group's business area as businesses hazardous to health. Such operations require a permit from local officials prior to commencement. Furthermore, the business premises must be controlled and comply with the hygienic conditions specified by the local ordinance.

5.2.2 Foreign Shareholding Restrictions In the event that the Company has a policy to seek a resolution from the shareholders' meeting to offer newly issued shares or issue Transferable Subscription Rights (TSR) to existing shareholders in proportion to their shareholding, the Company will not issue or offer such rights to shareholders if doing so would create obligations for the Company under foreign laws.

The Company's shares are freely transferable without restrictions. However, shares held by non-Thai nationals at any given time must not exceed forty-nine (49) percent of the Company's total issued shares. The Company reserves the right to refuse the transfer of shares if such transfer would cause the foreign shareholding ratio to exceed the aforementioned limit.

5.3 Legal Disputes

As of December 31, 2025, the Group has ongoing legal disputes or cases that are not yet finalized and may significantly impact the Group's business operations, with details as follows:

Black Case No.	S. 66/2561
Red Case No.	S. 18/2567
Plaintiff	95 plaintiffs (Residents in the vicinity of the Company's Saraburi branch factory)
Defendant	(1) Department of Industrial Works, (2) Director of Factory Licensing Service Division 2, (3) Saraburi Provincial Industry Office, (4) Saraburi Provincial Industry Officer, (5) Nong Rong Subdistrict Administrative Organization, (6) President of Nong Rong Subdistrict Administrative Organization
Intervener	Smothong Group Public Company Limited (formerly Smothong Palm 4 (Saraburi) Co., Ltd.)
Complaint	• Request for the revocation of the palm oil extraction factory operation license of the Intervener or revocation of the Department of Industrial Works' announcement dated October 6, 2016. Request for the revocation of the construction permit for the Intervener's palm oil extraction factory and to compel all six defendants to take legal measures to force the Intervener to immediately cease operations and demolish factory structures. Request for the six defendants to collectively enforce legal measures to restore environmental conditions to normal and for the defendants to pay court fees on behalf of the 95 plaintiffs.
Key Events and Timeline	• 2018: Residents near the Saraburi branch factory filed a lawsuit with the Central Administrative Court regarding the allegedly unlawful issuance of the factory operation license (Rong Ngor. 4). The Court ordered Smothong Group PCL (then Smothong Group Co., Ltd.) to be the Intervener. Later that year, the Court issued a temporary injunction suspending the factory operation license, causing the Saraburi factory to cease operations. • August 2022: The Central Administrative Court revoked the injunction, allowing the Saraburi factory to resume production. • Sept 17, 2024: The Court dismissed the request to revoke the Rong Ngor. 4 and construction (Or. 1) licenses. It ordered government agencies to measure pollution at the factory and report results to the Court every 60 days (total of 3 times). • Oct 11, 2024: Plaintiffs appealed to the Supreme Administrative Court. The factory currently continues commercial operations as normal. • April 18, 2025: The Company submitted its answer to the appeal to the Supreme Administrative Court. • April 30 – May 8, 2025: Plaintiffs filed petitions for interim relief measures. • May 28, 2025: The Supreme Administrative Court summoned a clarification statement regarding the petitions. • June 27, 2025: The Company submitted its clarification contesting the relief measures. • Sept 5, 2025: Plaintiffs filed a further petition for relief measures (accepted by the Court as a statement). • Dec 8, 2025: The Company submitted a clarification statement regarding the Sept 5 petition. • As of Dec 31, 2025: The case is under review by the Supreme Administrative Court. The Court is processing the appeal, answers, petitions, and fact-finding until the fact-finding process is concluded, after which a hearing and judgment date will be scheduled.

Aside from the aforementioned legal dispute, neither the Company nor its subsidiaries have (1) any pending cases or disputes that may negatively affect assets exceeding 5% of shareholders' equity as of December 31, 2024; (2) cases or disputes significantly impacting operations that cannot be evaluated in numerical terms; or (3) cases or disputes not arising from the normal course of business.

5.4 Secondary Market

-None-

5.5 Secondary Market

-None-

SMO

SMOTHONG GROUP PUBLIC COMPANY LIMITED

2

Corporate Governance

Annual Report 2025 (Form 56-1 One Report)

6. Corporate Governance Policy

Smothong Group Public Company Limited ("the Company" or "SMO") and its subsidiaries (the "Group") place great importance on adhering to the Principles of Good Corporate Governance. The Group operates its business ethically, respecting the rights of and maintaining responsibility toward all stakeholders, to ensure long-term competitiveness and sustainable growth.

6.1 Overview of Corporate Governance Policy and Guidelines

The Board of Directors has established the Corporate Governance Policy (the "Policy") based on the Corporate Governance Code for Listed Companies 2017 (CG Code) prescribed by the Office of the Securities and Exchange Commission (SEC). This policy serves as a guideline for organizational management, particularly for the Board, which is a key mechanism in driving and overseeing the business to achieve sustainable performance and build trust among stakeholders. It ensures that all operations of the Company and its subsidiaries are conducted fairly and with the best interests of stakeholders in mind. The Board of Directors has implemented an efficient corporate governance structure and system, encompassing oversight, monitoring, and evaluation to ensure the organization moves in a unified direction. This is based on the five fundamental principles of good corporate governance:

(1) Integrity: Managing with honesty, reliability, and an unwavering commitment to what is right.
(2) Fairness: Treating all stakeholders in an equitable and just manner.
(3) Transparency: Operating with transparent information disclosure to relevant parties and ensuring accountability through auditability.
(4) Responsibility: Performing duties within one's scope of responsibility with full intellect and capability, striving for success and continuous improvement.
(5) Accountability: Taking responsibility for the outcomes of actions, orders, assignments, and decisions made within one's role, with the ability to clarify and explain such decisions.

The Group's Good Corporate Governance Policy encompasses the 8 Principles of the CG Code, which can be summarized as follows:

Principle 1: Establish a Clear Leadership Role and Responsibilities of the Board

(1.1) The Board shall understand its role and recognize its responsibility as leaders who must ensure the organization possesses sound management.
(1.2) To create sustainable value for the business, the Board shall oversee the Company to achieve the desired Governance Outcomes.
(1.3) The Board is responsible for ensuring that all directors and executives perform their duties with the Duty of Care and Duty of Loyalty, ensuring compliance with laws, regulations, and resolutions of shareholders' meetings, as well as the Company's policies and delegation of authority in key approval processes.

(1.4) The Board shall understand the scope of its duties and clearly define the delegation of authority and responsibilities to the Chief Executive Officer (CEO) and management, while monitoring the CEO to ensure that assigned duties are performed accordingly.

Principle 2: Define Objectives that Promote Sustainable Value Creation

(2.1) The Board shall define or oversee the Company's objectives and goals to ensure they promote sustainability and align with value creation for both the business and its stakeholders.

(2.2) The Board shall ensure that the Company's objectives, goals, and strategies in the annual, medium-term, and long-term plans are aligned with the Company's core objectives, while incorporating innovation and technology appropriately and securely.

Principle 3: Strengthen Board Effectiveness

(3.1) The Board is responsible for determining and reviewing the Board structure, including size, composition, and the proportion of independent directors that is appropriate and necessary to lead the organization toward its defined objectives and goals.

(3.2) The Board shall select a suitable person as the Chairman and ensure that the composition and operation of the Board facilitate independent judgment in decision-making.

(3.3) The Board shall oversee that the recruitment and selection process for directors is transparent and clear to ensure that the Board possesses qualifications consistent with the defined composition.

(3.4) In proposing director remuneration for shareholder approval, the Board shall ensure the structure and rates are appropriate for the responsibilities and incentivize the Board to lead the organization toward its short, medium, and long-term goals.

(3.5) The Board shall ensure that all directors are responsible for their duties and allocate sufficient time for their roles.

(3.6) The Board shall establish a governance framework and mechanism for the policies and operations of subsidiaries and other significant investments at an appropriate level for each business, ensuring mutual understanding across all entities.

(3.7) The Board shall conduct an annual performance evaluation of the Board, Sub-committees, and individual directors, with the results used for further performance enhancement.

(3.8) The Board shall ensure that the Board and each director possess knowledge and understanding of their roles, the nature of the business, and relevant laws, while supporting continuous skills and knowledge development.

(3.9) The Board shall ensure that its operations run smoothly, that necessary information is accessible, and that there is a Company Secretary with the required knowledge and experience to support the Board's functions.

Principle 4: Ensure Effective Nomination and Development of Senior Executives and People Management

(4.1) The Board shall ensure that the recruitment and development of the Chief Executive Officer (CEO) and senior executives are conducted to provide them with the knowledge, skills, experience, and characteristics necessary to drive the organization toward its goals.

(4.2) The Board shall oversee the establishment of appropriate remuneration structures and performance evaluation systems.

(4.3) The Board shall maintain an understanding of the shareholder structure and relationships that may impact the management and operations of the Company.

(4.4) The Board shall monitor the management and development of personnel to ensure an appropriate headcount, as well as adequate knowledge, skills, experience, and motivation.

Principle 5: Nurture Innovation and Responsible Business

(5.1) The Board shall prioritize and support the creation of innovations that add value to the business while simultaneously benefiting customers or relevant parties, with responsibility toward society and the environment.

(5.2) The Board shall monitor management to ensure that business operations are socially and environmentally responsible, as reflected in the Operational Plan, ensuring that all departments align with the Company's core objectives, goals, and strategies.

(5.3) The Board shall oversee that management allocates and manages resources with efficiency and effectiveness, considering the impact and development of resources throughout the entire Value Chain. This ensures the organization can achieve its sustainable objectives and goals. The Board considers at least six types of resources: financial, manufactured, intellectual, human, social and relationship, and natural.

(5.4) The Board shall establish an enterprise information technology (IT) governance and management framework that aligns with business needs. This includes overseeing the utilization of IT to increase business opportunities and enhance operational risk management, enabling the Company to achieve its objectives and goals through a robust IT governance framework.

Principle 6: Strengthen Effective Risk Management and Internal Control

(6.1) The Board shall oversee and ensure that the Company possesses a risk management and internal control system that effectively achieves its objectives and complies with relevant laws and standards.

(6.2) The Board shall establish an Audit Committee that can perform its duties efficiently and independently.

(6.3) The Board shall monitor and manage potential conflicts of interest between the Company and its management, directors, or shareholders. This includes preventing the unauthorized use of Company assets, information, and opportunities, as well as overseeing transactions with related parties that may be inappropriate.

(6.4) The Board shall oversee the establishment of clear anti-corruption policies and practices, communicating them at all levels of the organization and to external parties to ensure practical implementation. The Board shall support projects or anti-corruption guidelines, including activities that promote and instill a culture of compliance with relevant laws and regulations among all employees.

(6.5) The Board shall ensure the Company has a mechanism for receiving complaints and a "Whistleblowing" process for handling reported clues or leads.

Principle 7: Ensure Disclosure and Financial Integrity

(7.1) The Board is responsible for ensuring that the financial reporting system and the disclosure of significant information are accurate, adequate, timely, and in accordance with relevant rules, standards, and guidelines.

(7.2) The Board shall monitor the adequacy of financial liquidity and the Company's ability to service its debts.

(7.3) In circumstances where the business faces financial distress or is likely to do so, the Board must ensure that the Company has a recovery plan or other mechanisms to resolve financial issues, while maintaining due regard for the rights of stakeholders.

(7.4) The Board shall prepare a sustainability report as appropriate.

(7.5) The Board shall ensure that management establishes an Investor Relations unit or designates a responsible person to communicate with stakeholders, such as shareholders, investors, and analysts, in an appropriate, equitable, and timely manner.

(7.6) The Board shall encourage the utilization of information technology for the dissemination of information.

Principle 8: Ensure Engagement and Communication with Shareholders

(8.1) The Board shall ensure that shareholders have the opportunity to participate in making decisions regarding significant corporate matters.

(8.2) The Board shall ensure that shareholder meetings are conducted in an orderly, transparent, and efficient manner, facilitating shareholders in the exercise of their rights.

(8.3) The Board shall ensure that the disclosure of meeting resolutions and the preparation of the minutes of shareholder meetings are accurate and complete.

The full version of the Group's Good Corporate Governance Policy is available for further study in Attachment 5.

6.1.1 Policies and Guidelines Related to the Board of Directors, Sub-committees, and Management

The Group has established policies and guidelines concerning the Board of Directors, Sub-committees, and Management in accordance with the Principles of Good Corporate Governance. These are designed to promote transparency, accountability, and the best interests of stakeholders, while building trust in the Group—which serves as the foundation for sustainable growth. The details are as follows:

(1) Remuneration Policy and Criteria

The Group maintains a remuneration policy for directors, sub-committee members, and executives that incentivizes leadership toward achieving both short-term and long-term organizational goals. The remuneration rates are designed to be competitive within the same industry to attract and retain high-quality personnel. The key principle is that directors and executives assigned additional duties and responsibilities shall receive appropriate additional remuneration commensurate with those roles. In determining remuneration, the Company considers business type, performance correlation, and general market norms within the same industry, as well as the specific duties and responsibilities of each individual. The Nomination and Remuneration Committee is responsible for determining the necessary and appropriate monetary remuneration for directors, sub-committee members, the Chief Executive Officer, and the Managing Director. For the remuneration of directors and sub-committee members, the committee shall propose the rates to the Board of Directors for endorsement before seeking final approval from the Annual General Meeting (AGM) of shareholders on an annual basis.

(2) Independence from Management

The Group has established Charters for the Board of Directors and each Sub-committee in alignment with Good Corporate Governance principles. These Charters define the qualifications for directors, independent directors, and sub-committee members, as well as the composition of each board. An appropriate ratio of independent directors to executive directors is maintained to ensure that the Board's decision-making process remains independent—a vital mechanism of good governance. Independent directors play a crucial role in supporting policies that benefit shareholders and voicing opposition to decisions that may lack fairness or transparency, or that could adversely affect the interests of shareholders and stakeholders. Therefore, independent directors must remain free from the control of management or major shareholders and must have no financial or managerial interest in the business.

According to the Board of Directors' Charter, the Board must consist of at least five (5) members. Not less than half of the total number of directors must reside in the Kingdom of Thailand. Furthermore, independent directors must constitute at least one-third (1/3) of the total board membership, but no fewer than three (3) persons. Currently, Smothong Group Public Company Limited has a Board of Directors consisting of nine (9) members, comprising four (4) Executive Directors four (4) Independent Directors and one (1) Non-Executive Director. This composition complies with the Board of Directors' Charter, providing an appropriate balance of power to ensure that management is transparent and serves the best interests of shareholders and all stakeholder groups.

(3) Performance Evaluation

The Group requires an annual performance evaluation of the Board of Directors and its Sub-committees at least once a year. This allows the Board and Sub-committees to review their performance and identify issues for further improvement in the following year. The evaluation process includes both collective (as a whole board) and individual assessments through a Self-Evaluation method. The results of these evaluations are disclosed to stakeholders in accordance with the Group's Corporate Governance Manual.

6.1.2 Policies and Guidelines Related to Shareholders and Stakeholders

The Group is committed to conducting its business under the principles of Good Corporate Governance. It has established policies, guidelines, and a Code of Business Conduct regarding the care of shareholders, equitable treatment of shareholders, promotion of shareholders' rights, prevention of insider trading, and prevention of conflicts of interest. Furthermore, the Group emphasizes responsibility toward stakeholders, compensation for rights violations, anti-corruption measures, and disciplinary actions for those who fail to comply with such policies and guidelines. These can be summarized as follows:

Shareholders

- **Safeguarding Interests:** Performing duties with integrity, prudence, and transparency
- **Equitability:** Treating all shareholders equally, disclosing information via the Company's website, and ensuring no violation of shareholder rights.
- **Participation:** Providing opportunities for shareholders to ask questions, propose agenda items, or nominate director candidates in advance.
- **Reliable Reporting:** Preparing accurate and audited financial statements and ensuring the protection of personal data.

Customers

- **Quality and Standards:** Delivering safe products at fair prices and according to the agreed schedule.
- **Accurate Information:** Providing honest and non-distorted advice while strictly maintaining customer trade secrets and confidentiality.
- **Integrity:** Refraining from receiving or providing dishonest benefits and conducting Know Your Customer (KYC) procedures in compliance with the law.
- **Responsiveness:** Maintaining an effective complaint system and responding promptly to ensure maximum customer satisfaction.

Employees

- **Fairness:** Providing appropriate remuneration and considering performance-based promotions and rewards based on merit and capability.
- **Safety and Health:** Maintaining a good working environment and providing necessary personal protective equipment (PPE).
- **Welfare:** Providing a provident fund, health insurance, and additional welfare benefits to enhance the quality of life for employees.
- **Development:** Promoting continuous learning, remaining open to employee feedback, and providing secure whistleblowing channels.

Business Partners

- **Transparency:** Implementing a systematic and auditable procurement process. The Company maintains a strict anti-bribery policy, including a "No Gift Policy" (with a limit not exceeding 2,000 THB).
- **Responsibility:** Selecting partners who operate legally and demonstrate consideration for environmental and social impacts.
- **Contractual Compliance:** Strictly adhering to agreed terms. In cases where compliance is not possible, the Company will promptly notify partners to find mutually beneficial solutions.

Creditors

- **Financial Discipline:** Strictly complying with all contractual conditions and ensuring that loans are used according to the intended purpose.
- **Punctuality:** Ensuring timely repayment of principal and interest as scheduled.
- **Integrity:** In the event of potential repayment difficulties, the Company will notify creditors in advance to collaboratively seek solutions.

Competitors

- **Free Competition:** Competing within the legal framework and fair competition rules, while refraining from price collusion or unfair trade practices.
- **Ethics:** Refraining from seeking trade secrets through dishonest means and protecting competitors' reputations by avoiding the dissemination of distorted information.
- **Intellectual Property:** Respecting and not infringing upon the intellectual property or rights of competitors.

Public Sector

- **Legal Compliance:** Engaging with government agencies transparently and strictly adhering to Public Company Laws, Securities and Exchange Laws, and regulations of the Office of the Securities and Exchange Commission (SEC).
- **Anti-Bribery:** Strictly prohibiting the provision of money or benefits to government officials, whether directly or indirectly.
- **Cooperation:** Supporting government policies, respecting traditions and customs, and adhering to human rights principles.

Community & Society

- **Sustainability**: Prioritizing environmental and social impact assessments in all business operations.
- **Volunteerism:** Cultivating a volunteer spirit among employees to participate in public service activities and community infrastructure development.
- **Communication:** Actively listening to feedback from local residents and consistently reporting on social performance.

Conflict of Interest

- **Transparency and Disclosure:** Disclosing all related party transactions in accordance with the criteria of the SEC and the Stock Exchange of Thailand (SET) to prevent any siphoning of interests.

- **Prioritizing Company Interests:** Avoiding transactions that provide personal gain or benefit to associates. If a transaction is necessary, it must be conducted on an "Arm's Length Basis" (normal commercial terms) as if transacting with an external party.
- **Appropriate Approval:** Non-routine transactions must receive an opinion from the Audit Committee. Furthermore, interested parties are prohibited from participating in the decision-making process for such transactions.
- **Organizational Structure:** Maintaining a clear separation of duties to ensure checks and balances. Employees should avoid holding shares or serving as directors in competing companies.

Inside Information

- **Confidentiality:** Strictly prohibiting the disclosure of inside information or stakeholders' secrets to unauthorized persons, both internally and externally. This obligation remains in effect even after the termination of employment.
- **Prohibition of Misuse:** Directors, executives, and employees must not exploit their positions or non-public information for personal gain or for the benefit of others, whether directly or indirectly.
- **International Standards:** Strictly adhering to the Securities and Exchange Act and the guidelines prescribed by the Office of the Securities and Exchange Commission (SEC).
- **Third-Party Engagement:** Any external party required to access inside information must sign a Confidentiality Agreement (Non-Disclosure Agreement) before receiving such data.

Anti-Corruption Policy

- **Gifts and Hospitality**
  - Prohibiting the solicitation, receipt, or provision of gifts or hospitality that could influence business decisions.
  - Gifts may be given or received with a value not exceeding 2,000 THB. In cases where a gift is received, it must be handed over to the Human Resources Department to be used for public or collective benefit.
  - All related expenses must have clear evidence and be recorded in an auditable manner.
- **Donations and Sponsorships:** Charitable donations and financial sponsorships must be transparent, legal, and follow a clear approval process to ensure they are not used as a pretext for corruption.
- **Political Neutrality** The Company maintains political neutrality and does not provide financial support or resources to any political party or politician. Employees retain their individual political rights but are prohibited from acting on behalf of the Company or using working hours for political activities.
- **Human Resources Management:** Ensuring transparency in recruitment, promotion, and performance evaluation. The Company will not penalize or demote any employee who refuses to participate in corruption, even if such a refusal results in a loss of business opportunity for the Company.
- **Business Partners and Government Agencies:** Strictly prohibiting the receipt or provision of bribes, whether directly or through a Third Party. All interactions with the public sector must be transparent and comply with the laws, rules, and regulations issued by the National Anti-Corruption Commission (NACC).
- **Anti-Money Laundering (AML):** Maintaining a diligent financial monitoring system to prevent the Company from being used as a conduit for the transfer or conversion of illegally obtained assets.

Whistleblowing and Suggestions

The Company and its subsidiaries provide channels for stakeholders to inquire about concerns or report any suspected violations of rules, regulations, laws, the Code of Business Conduct, or Corporate Governance Policies. This includes reporting instances of embezzlement, corruption, and financial statement manipulation. Lead or formal complaints, along with supporting evidence, can be submitted through the following channels:

By Post

To: Supervisor, Human Resources Department, or Chairman of the Audit Committee
Address: Smothong Group Public Company Limited
No. 119/1 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani Province, 84170

By E-mail

Supervisor or Human Resources Department:
(E-mail: smgh.hr@smg-thai.com)

Chairman of the Audit Committee:
(E-mail: auditcommittee@smg-thai.com)
Via Website www.smothonggroup.com

Safety, Occupational Health, and Environmental Policy (SHE)

- **Legal Compliance:** Strictly adhering to local and international laws, rules, and regulations without exception.
- **Continuous Development:** Utilizing modern technology to improve operational processes and regularly reviewing safety objectives and targets.
- **Healthy Work Environment:** Maintaining a clean and safe workplace, free from accidents and emerging diseases, to ensure the well-being of all personnel.
- **Environmental Stewardship:** Optimizing resource and energy efficiency and prioritizing the "Reuse and Recycle" approach.
- **Communication:** Building awareness and fostering a safety culture through consistent public relations and SHE activities.

Communication and Compliance Monitoring

- **Onboarding and Orientation:**
  - Integrating "New Employee Orientation" as a primary stage for communicating the Code of Business Conduct.
  - All new employees are required to sign an acknowledgment and agree to strictly comply with the Company's policies from their first day of employment.
- **Accessible Communication Channels:**
  - Information is disseminated via corporate e-mail and made available for download on the Company's website to ensure all personnel have constant access.
- **Annual Acknowledgment:**
  - Compliance is not a one-time process; all personnel must review the policies and provide a signed confirmation of compliance annually.
- **Management Role and Audit System:**
  - Executives are responsible for supervising their teams to ensure active compliance.
  - The Internal Audit process is utilized to monitor adherence, with results reported directly to the Audit Committee.
- **Disciplinary Actions:**
  - Violations of the policy are subject to disciplinary action. In cases where the violation also breaches the law, the Company will promptly refer the matter to the relevant government authorities for legal proceedings.

6.2 Code of Business Conduct

The Group is committed to conducting its business in accordance with the Principles of Good Corporate Governance, emphasizing integrity, transparency, prudence, and accountability toward all stakeholder groups. The "Code of Business Conduct" (Code of Conduct) has been established as a definitive guideline for all personnel within the Company and its subsidiaries. The Group ensures strict supervision and monitoring of compliance to drive sustainable organizational growth. The Code covers guidelines for interacting with all stakeholders, including shareholders, customers, employees, business partners, creditors, competitors, the public sector, and the community and society. Furthermore, it defines principles regarding conduct toward colleagues, management of conflicts of interest, use of inside information, anti-corruption, whistleblowing and suggestions, safety, occupational health, and environmental (SHE) practices, as well as communication and compliance monitoring.

The full version of the Code of Business Conduct and related policies are available for further study in Attachment 5.

6.3 Significant Changes and Developments in Corporate Governance Policy, Guidelines, and Systems

6.3.1 Significant Changes and Developments regarding the Review of Policies, Guidelines, Corporate Governance Systems, or Board Charters in the Past Year

The Board of Directors recognizes the importance of good corporate governance as a key factor in enhancing the Company's long-term competitiveness and sustainable growth. This is aligned with the Corporate Governance Code for Listed Companies 2017 (CG Code) prescribed by the Office of the Securities and Exchange Commission (SEC). The Company has established a process to regularly prepare, review, and update these frameworks to ensure they remain appropriate and consistent with the evolving business model, operational environment, and stakeholder needs, as well as changes in laws, regulations, guidelines, and feedback from all parties. The Company's Corporate Governance Manual was initially approved by the Board of Directors at Meeting No. 11/2019 on December 17, 2019, and became effective on May 11, 2020. Since then, it has undergone continuous review and improvement.

In 2025, the Company reviewed its policies, guidelines, and corporate governance systems, including the Charters for the Board of Directors and Sub-committees, to ensure the continuous maintenance of a robust and effective corporate governance system.

6.3.2 Other Practices in Accordance with the Principles of Good Corporate Governance

The Company prioritizes compliance with the Principles of Good Corporate Governance to enhance competitiveness, foster sustainable growth, and maximize benefits for shareholders, employees, and all relevant parties. The Board of Directors has established policies supporting good corporate governance based on the Corporate Governance Code for Listed Companies 2017. This serves as a management guideline to ensure that all Company operations are conducted fairly, with the best interests of shareholders and stakeholders in mind. To achieve this, the Group's Corporate Governance Manual was developed, and the Company consistently monitors directors, executives, and employees to ensure adherence. Furthermore, the Company mandates that the Corporate Governance Manual must be reviewed at least once a year.

6.3.3 Other Practices in Accordance with the Principles of Good Corporate Governance Policy and Governance of Subsidiaries and Associate Companies

The Group is committed to sustainable business development and operations by adhering to the Principles of Good Corporate Governance to mitigate risks and foster long-term growth. Accordingly, the Subsidiary and Associate Governance Policy has been established to provide a framework and mechanism for overseeing the operational policies of subsidiaries and associates, both directly and indirectly. This includes appropriate monitoring measures to effectively protect the Company's investment interests. The key guidelines are summarized as follows:

(1) Appointment and Nomination of Directors and/or Executives in Subsidiaries and Associates

The appointment of individuals to serve as directors and/or executives in subsidiaries and associates is a vital governance mechanism to ensure that these entities effectively follow the Company's policies, goals, vision, and strategic plans. The guidelines are as follows:

- **Appointment Proportion:** Appointments are generally made in proportion to the Company's shareholding percentage, unless otherwise specified in a Shareholders' Agreement.
- **Process:** The Executive Committee is responsible for considering appointments or rotations and subsequently reporting them to the Board of Directors for acknowledgment.
- **Qualifications:** Appointees must possess full qualifications and must not have any prohibited characteristics under the Public Limited Companies Act, the Securities and Exchange Act, and other relevant regulations.
- **Fiduciary Duties:** Appointees must perform their duties with responsibility, prudence, and honesty for the best interests of both the Company and the subsidiary/associate.

(2) Matters Requiring Approval from the Board of Directors or the Shareholders' Meeting

(2.1) Cases Requiring Board of Directors' Approval:

- **Corporate Structure and Finance:** Amendments to the Articles of Association, annual business plans and budgets, dividend payments, and capital increases or decreases that dilute the original shareholding proportion.
- **Audit:** The appointment of external auditors who are not part of the same audit firm network as the Company's auditors.
- **Significant Transactions:** Borrowing or providing guarantees outside the ordinary course of business, dissolution of the business, or the sale or transfer of all or significant parts of the business.
- **Asset Acquisitions/Disposals and Related Party Transactions:** Transactions that, when calculated based on the criteria prescribed by the Capital Market Supervisory Board and the Stock Exchange of Thailand, reach the threshold requiring Board of Directors' approval.

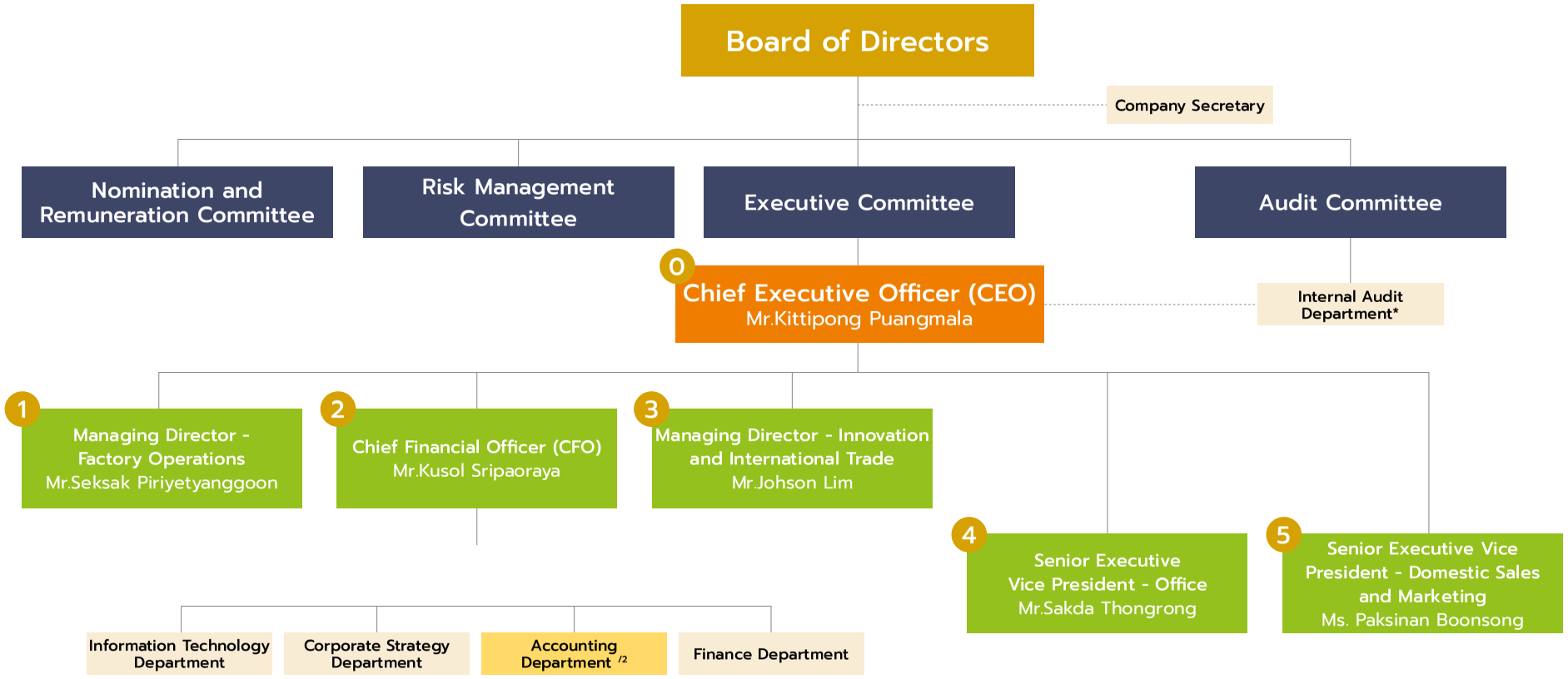
(2.2) Cases Requiring Approval from the Company's Shareholders' Meeting:

Related party transactions or transactions concerning the acquisition or disposal of assets by a subsidiary which, when the transaction size is calculated and compared to the Company's size, reach the threshold requiring approval from the Company's shareholders' meeting. (The calculation criteria shall be based on the notifications of the Capital Market Supervisory Board and the Board of Governors of the Stock Exchange of Thailand regarding the acquisition or disposal of assets, and/or any relevant amended notifications currently in effect, applied mutatis mutandis).

The full version of the Subsidiary and Associate Governance Policy is available for further study in Attachment 5.

7. Corporate Governance Structure and Key Information on the Board of Directors, Sub-committees, Executives, Employees, and Others

7.1 Corporate Governance Structure



Note: No. 0 to 5 refer to the Company's management as defined in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities.

/1 The Company has engaged D I A Audit Company Limited, an external agency, to serve as the internal auditor responsible for reviewing the internal control system on an annual contract basis.

/2 Ms. Kanya Nakplad is the person directly assigned the responsibility for supervising the preparation of accounts (Chief Accountant) and is not considered an executive according to the definition specified in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551.

7.2 Information on the Board of Directors

Smothong Group Public Company Limited ("the Company" or "SMO") recognizes the importance of recruiting individuals to serve on the Board of Directors and Sub-committees. The Company selects suitable candidates by considering diverse dimensions, including professional skills and expertise, gender, and age (Board Diversity), to achieve an optimal composition.

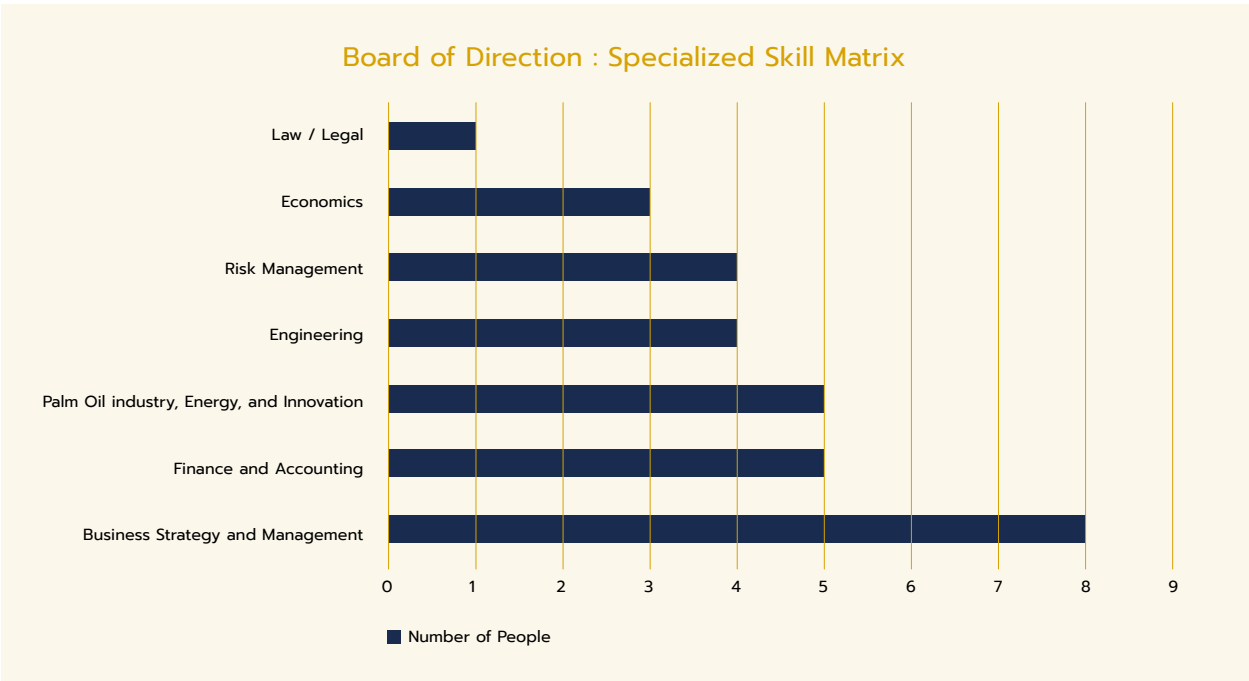
Furthermore, the Company has defined roles, duties, and responsibilities aligned with business requirements and best practices for transparency, accountability, and an effective system of checks and balances. This ensures the creation of long-term benefits and sustainable value for the business, customers, stakeholders, society, and the environment.

7.2.1 Composition of the Board of Directors

The Board of Directors comprises members with diverse qualifications, including skills, knowledge, and professional experience aligned with the organization's strategies and goals. The Board embraces diversity without restrictions on gender, race, or religion, maintaining a composition consistent with Good Corporate Governance principles and relevant legal requirements. This ensures that the Board performs its duties with competence, accountability, integrity, fairness, and transparency, in accordance with Board resolutions, shareholder meeting mandates, Company regulations, and applicable laws, ultimately creating sustainable value for the business and its stakeholders.

Before the Company's conversion into a public limited company, the Extraordinary General Meeting of Shareholders No. 1/2023, held on February 16, 2023, approved the appointment of the Board of Directors. The selection process evaluated various qualifications, including educational background, professional skills, age, and multi-disciplinary expertise. A Board Skill Matrix was utilized to ensure a well-rounded set of necessary competencies.

Subsequently, on February 27, 2025, the 2025 Annual General Meeting of Shareholders approved the conversion of the Company into a Public Limited Company. To comply with the Public Limited Companies Act, a new Board of Directors was elected; however, the meeting resolved to reappoint the existing members to their original positions and maintain their previous scopes of authority. The consolidated Board Skill Matrix is summarized as follows:



7.2.2. Information on the Board of Directors and Individual Controlling Persons

As of December 31, 2025, the Board of Directors consists of 9 members, structured as follows:
Independent Directors: 4 members (representing 44.44% of the total board)
Directors: 5 members (representing 55.56% of the total board), further categorized as:
Non-Independent, Non-Executive Director: 1 member
Executive Director: 1 member

No.	Name – Surname	Position	Type of Director	Date of Appointment	Tenure (Years)
1.	Mr.Surachai Chitratsenee	Chairman of the Board Chairman of the Risk Management Committee	Non-Independent, Non-Executive Director	February 16, 2023	2
2.	Mr.Seksak Piriyetyanggoon	Vice Chairman of the Board Member of the Risk Management Committee Executive Director Managing Director - Factory Operations	Executive Director	January 4, 2017	8
3.	Mr.Tepakul Poonlarp	Independent Director Chairman of the Audit Committee Member of the Nomination and Remuneration Committee	Independent Director	February 16, 2023	2
4.	Mr.Boonma Phonthanakornkul	Independent Director Member of the Audit Committee Chairman of the Nomination and Remuneration Committee	Independent Director	February 16, 2023	2
5.	Mr.Artong Srihiran	Independent Director Member of the Audit Committee Member of the Risk Management Committee	Independent Director	February 16, 2023	2
6.	Mr.Weerayuth Sajjaphanroj	Independent Director Member of the Risk Management Committee	Independent Director	February 16, 2023	2
7.	Mr.Kittipong Puangmala	Director Member of the Nomination and Remuneration Committee Chairman of the Executive Board Chief Executive Officer (CEO)	Executive Director	January 4, 2017	8
8.	Mr.Johson Lim	Director Member of the Risk Management Committee Executive Director Managing Director - Innovation and International Trade	Executive Director	January 4, 2017	8
9.	Mr.Kusol Sripaoraya	Director Member of the Risk Management Committee Executive Director Chief Financial Officer (CFO)	Executive Director	January 4, 2017	8

Notes: Details of the Directors' profiles are provided in Attachment 1.
/1 Mr.Surachai Chitratsenee, Mr.Tepakul Poonlarp, Mr.Boonma Phonthanakornkul, Mr.Artong Srihiran and Mr.Weerayuth Sajjaphanroj were appointed as Directors of the Company in accordance with the resolution of the Extraordinary General Meeting of Shareholders No. 1/2023, held on February 16, 2023.

All members of the Board of Directors have completed training programs on directors' roles, duties, and skills from the Thai Institute of Directors (IOD). Furthermore, at the Board of Directors Meeting No. 1/2025 (post-conversion), held on March 15, 2025, the Board of Directors resolved to appoint Ms. Thanamas Teparos as the Company Secretary. She has completed the Company Secretary Program (CSP) Class 109/2020 organized by the Thai Institute of Directors.

As the Chairman of the Board is not an independent director, the Company complies with Principle 3.2 of the Corporate Governance Code (CG Code). This principle stipulates that the Board shall select a suitable person as Chairman and ensure that the composition and operations of the Board facilitate the exercise of independent judgment. Consequently, the Company has established additional criteria in the Board of Directors Charter, requiring one independent director to participate in determining the agenda for every Board meeting. Mr.Weerayuth Sajjaphanroj has been designated for this role, whereby he shall review and sign the meeting invitation or provide approval via email for every session.

Authorized Directors

Mr.Seksak Piriyetyanggoon, Mr.Kittipong Puangmala, Mr.Johson Lim, and Mr.Kusol Sripaoraya, any two of these four directors are authorized to sign jointly with the Company's seal affixed.

7.2.3. Roles and Duties of the Board of Directors

Scope of Authority, Duties, and Responsibilities of the Board of Directors

The Board of Directors plays a vital role in defining the Company's objectives, goals, strategies, operating policies, and resource allocation. Furthermore, the Board is responsible for monitoring and supervising operations to ensure the organization achieves its objectives and goals as follows:

1). Perform duties with responsibility, care, and integrity while protecting the best interests of the Company. Ensure that the Company's operations strictly comply with the law, Company objectives, and Articles of Association, as well as resolutions from the Board and shareholders' meetings, including regulations from the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), and the Principles of Good Corporate Governance.

2). Define the vision, mission, objectives, goals, policies, and strategies, taking into account the analysis of the business environment and changing factors. Supervise and ensure that management operates effectively in line with the established core objectives and goals to create maximum value and benefit for the organization and all stakeholders.

3). Review and approve budgets for investments and business operations, and establish a framework for resource allocation to ensure efficiency and value optimization.

4). Conduct annual assessments and reviews of the vision, mission, objectives, goals, policies, and strategies to ensure they remain consistent with the constantly changing environment and circumstances.

5). Uphold accountability and protect the interests of shareholders, while ensuring the disclosure of sufficient, accurate, complete, standardized, and transparent information to shareholders and all relevant stakeholders.

6). Establish appropriate communication channels with shareholders and stakeholders, while ensuring that shareholders have the opportunity to participate in decision-making regarding the Company's significant matters.

7). Report any personal interest, or the interests of related persons, that pertain to the management of the Company or its subsidiaries to ensure transparency in operations; such interests must be formally recorded in the minutes of the Board meetings.

8). Promote and ensure that all directors, executives, and employees understand and comply with relevant laws, rules, regulations, the Code of Business Conduct, and all related internal policies and guidelines.

9). Promote and lead by example in accordance with Corporate Governance policies, and support effective communication to ensure that personnel at all levels of the organization are informed and strictly adhere to these principles.

10). Oversee the establishment of Anti-Corruption policies and guidelines, ensuring strict compliance to serve as a role model for company personnel. This includes supporting internal and external communication to ensure practical implementation.

11). Ensure the establishment of a Succession Plan to maintain organizational readiness if top executives are unable to perform their duties.

12). Support the integration of Information Technology (IT) into the corporate strategy to enhance business opportunities, improve operational

performance, and strengthen enterprise risk management.

13). Promote innovation and the adoption of innovative practices to enhance competitive advantage, while maintaining responsibility toward society and the environment.
14). Independent directors to propose matters beneficial to the Company for inclusion in the Board meeting agenda, and encourage management or relevant personnel to attend meetings to provide direct insights and details regarding the proposed matters.
15). Appoint new directors to replace those vacating office by rotation, ensuring candidates possess the required qualifications and do not have any prohibited characteristics under the Public Limited Companies Act, the Securities and Exchange Act, and other relevant laws. Additionally, the Board is responsible for reviewing director remuneration to be proposed for shareholder approval.
16). Appoint sub-committees to assist in performing the Board's responsibilities, and define the scope of authority, duties, and responsibilities for each sub-committee.
17). Clearly define the roles, duties, and responsibilities of the Board of Directors, sub-committees, and management, and monitor their performance to ensure duties are carried out as assigned.
18). Conduct annual performance evaluations for the Board of Directors and its sub-committees.
19). Appoint a Company Secretary to perform duties in accordance with the Securities and Exchange Act B.E. 2535 (1992), and to be responsible for managing Board of Directors meetings, Shareholders' meetings, and various Board-related activities.
20). Determine or change the names of the Authorized Directors of the Company, subject to the provisions of the law and the Company's Articles of Association.
21). Consider and approve the interim dividend payment to shareholders when the Company has sufficient profit to do so, and report such dividend payment to the shareholders' meeting at the next meeting, and consider and approve the annual dividend payment for shareholders' approval at the Annual General Meeting of Shareholders.
22). Consider and approve significant transactions within the scope of the Board of Directors' authority, including considering and approving the acquisition or disposal of assets and related party transactions, unless such transactions require approval from the shareholders' meeting. The approval shall comply with the notifications of the Capital Market Supervisory Board and/or the announcements, regulations, and/or rules of the Stock Exchange of Thailand.
23). Oversee subsidiaries by considering the suitability of individuals to be appointed as directors of subsidiaries to control their management in accordance with the Company's policies and ensure all transactions comply with the securities and exchange laws and other related laws.
24). Ensure reliable accounting, financial reporting, and auditing systems, including overseeing the process for evaluating the adequacy of internal control and internal audit for efficiency and effectiveness.
25). Ensure the preparation of financial reports and the disclosure of important information accurately, sufficiently, and timely, in accordance with relevant rules, standards, and guidelines, by ensuring that the related personnel have sufficient knowledge, skills, and experience, and are of an appropriate number.
26). The Board of Directors must report the operating results to shareholders in the Company's annual registration statement/annual report, with details at least as required by relevant laws, regulations, or rules.

Tenure of the Company's Directors

The term of office for the Company's directors is set at 3 years per term, and a director who completes their term may be considered for re-election. The Company has a policy limiting independent directors to a continuous term of no more than 9 years from the date of initial appointment, unless the shareholders' meeting considers the reasons and necessity proposed by the Board of Directors and approves the re-election of the independent director who has served continuously for more than 9 years.

Cessation of Office

A director vacates the office upon the expiration of their 3-year term. At every Annual General Meeting of Shareholders, one-third (1/3) of the directors must retire from office. In the first and second years following the Company's registration, the retiring directors shall be determined by a sortition process. If the number of directors cannot be divided exactly into three parts, the number closest to one-third shall retire. A director who vacates office may be re-elected. In addition to vacating office by rotation, a director shall vacate office for the following reasons:

(1) Death
(2) Resignation
(3) Lack of qualifications or having prohibited characteristics under the Public Limited Companies Act, the Securities and Exchange Act, and other relevant laws.
(4) A resolution of the shareholders' meeting removes the director with a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote, and holding shares collectively not less than half of the number of shares held by the attending shareholders and entitled to vote.
(5) Removal by Court Order

Any director wishing to resign from office before the expiration of their term must submit a resignation letter to the Company. Such resignation shall take effect from the date the resignation letter reaches the Company. Consequently, the Board of Directors or the Shareholders' Meeting (as the case may be) shall consider the appointment of a replacement director to fill the vacancy.

Roles and Duties of the Chairman of the Board

The Company clearly separates the roles and duties of the Chairman of the Board and the Chief Executive Officer. The duties of the Chairman of the Board are as follows.

1). Supervise, monitor, and oversee the performance of the Board of Directors to ensure maximum efficiency and the achievement of organisational goals.
2). Determine the Board meeting agenda in collaboration with the Chief Executive Officer and one designated Independent Director (in cases where the Chairman is not an independent director). Ensure that all directors receive accurate, complete, clear, and timely information before meetings to facilitate informed decision-making.
3). Preside as the Chairman of the Board of Directors meetings and the Shareholders' meetings.
4). Oversee the adequacy and appropriateness of the risk management and internal control systems.
5). Create and drive a corporate culture committed to ethics and compliance with good corporate governance principles, by acting as a role model as a leader in corporate governance.
6). Allocate sufficient time for management to propose matters and for directors to thoroughly discuss important issues, promoting directors to exercise independent judgment and provide opinions.
7). In the event of an equality of votes, the Chairman of the meeting shall have a casting vote.
8). Promote constructive relationships among directors, as well as between the Board and Management, and support the Chief Executive Officer and Management in performing their duties in accordance with the Company's policies.

7.3 Information on Sub-committees

The Board of Directors is responsible for appointing directors with the appropriate knowledge and expertise to serve on sub-committees. These committees assist the Board by performing in-depth reviews and screening specific matters before providing recommendations to the Board of Directors for further consideration.

The Company's sub-committee structure consists of four (4) committees, as follows:

1. Audit Committee
2. Risk Management Committee
3. Nomination and Remuneration Committee
4. Executive Committee

The Board has clearly defined the scope of authority, duties, and responsibilities for each sub-committee, with details provided below:

7.3.1 Board of Directors Structure

Audit Committee

The list of the Company's Audit Committee members as of December 31, 2025, consists of:

No.	Name – Surname	Position
1	Mr.Tepakul Poonlarp	Chairman of the Audit Committee / Independent Director
2	Mr.Boonma Phonthanakornkul	Audit Committee Member / Independent Director
3	Mr.Artong Srihiran	Audit Committee Member / Independent Director

Note: The Audit Committee members were appointed by the Board of Directors Meeting No. 2/2023 on February 7, 2023, on the condition that all three individuals must first be appointed as directors by the shareholders' meeting. Subsequently, the Extraordinary General Meeting of Shareholders No. 1/2023, held on February 16, 2023, resolved to appoint all three individuals to the position of director.

(1) Audit Committee Member with Knowledge, Competence, and Experience in Reviewing Financial Statements

Mr.Artong Srihiran is an individual with the qualifications of an Independent Director and an Audit Committee Member with sufficient knowledge in accounting and finance. His highest education is a Business Management degree from the University of La Verne, CA, USA, and he previously worked in securities at Thanachart Securities Public Company Limited, with his highest position being Assistant Managing Director, responsible for reviewing the reliability of the Company's financial statements. His educational background and work experience are as follows:

Educational Background

- Bachelor's Degree, Faculty of Economics, Kasetsart University
- Master's Degree in Business Management, University of La Verne, California, United States of America

Work Experience

2023 - Present: Independent Director and Audit Committee Member, Smothong Group Public Company Limited
2021 - Present: Independent Director and Audit Committee Member, Suntech Steel Works Public Company Limited
2021 - 2025: Independent Director and Audit Committee Member, Larch & Laurel Company Limited
2005 - 2021: Assistant Managing Director, Branch Affairs Department, Thanachart Securities Public Company Limited

Scope of Authority, Duties, and Responsibilities

1) Review of Financial Reports
   1.1). Review that the Company and its subsidiaries have accurate and complete financial reporting to ensure that the financial reports are accurate, complete, and reliable, and that disclosures in the notes to the financial statements are sufficient and comply correctly with financial reporting standards and relevant laws.
   1.2). Coordinate with the external auditor and executives responsible for preparing quarterly and annual financial reports to receive explanations from the auditor and management.
   1.3). Consider the accuracy and completeness of information disclosure, especially in cases of connected transactions or transactions that may have conflicts of interest.

2). Review of Internal Control

2.1). Review that the Company and its subsidiaries have adequate and appropriate internal control (Internal Control) and internal audit (Internal Audit) systems.

2.2). Review the internal audit reports of the Company and its subsidiaries and report to the Board of Directors quarterly, and recommend a review or audit of any items deemed necessary and important, as well as propose necessary and important improvements to the internal control system to the Board of Directors.

2.3). Discuss with the external auditor regarding the internal control of the Company and its subsidiaries within the scope of the auditor's work.

3). Review of Risk Management

3.1). Review that the Company and its subsidiaries have effective risk management regarding issues that may affect the operations of the Company and its subsidiaries, with responsible persons, and appropriate, sufficient, and comprehensive risk management guidelines covering all risk issues, both in the short and long term.

3.2). Discuss with the internal auditor and external auditor regarding the risks of the Company and its subsidiaries, in order to improve and correct operational processes to reduce the probability and impact on the operations of the Company and its subsidiaries.

4). Review of Good Corporate Governance

4.1). Review that the Company and its subsidiaries comply with the principles of good corporate governance.

4.2). Full disclosure of information according to the requirements of the Stock Exchange of Thailand.

4.3). Review policies and practices related to good corporate governance principles, business ethics, complaint handling, and anti-corruption at least once a year.

5). Review of Compliance with Relevant Laws

5.1). Review that the Company and its subsidiaries comply with the securities and exchange law, the regulations of the Stock Exchange of Thailand, and laws related to the business operations of the Company and its subsidiaries.

5.2). Discuss with management to monitor new laws that will come into effect in the future and may affect the Company, both domestically and internationally.

6). Consideration of Related Party Transactions (RPT) or Transactions that May Involve Conflicts of Interest to Comply with Laws and Regulations of the Stock Exchange of Thailand

6.1). Review and provide opinions on Related Party Transactions or transactions that may involve conflicts of interest to ensure that such transactions adhere to the principles of reasonableness, fairness, transparency, and maximum benefit to the Company.

6.2). Ensure the full, accurate, and sufficient disclosure of material information in accordance with the criteria and regulations of the Stock Exchange of Thailand.

7). Consideration for Proposing the Appointment of the External Auditor

7.1). Consider, select, and propose the appointment of an independent person to act as the external auditor, and consider proposing the external auditor's remuneration to the Board of Directors.

7.2). Review the auditor's auditing methods, scope, and coordination with the internal audit unit, and evaluate the performance of the external auditor.

7.3). Attend a meeting with the external auditor without the management present at least once a year.

8). Oversight of Internal Audit

8.1). Supervise the internal audit function to ensure independence and efficiency, and provide an adequate and appropriate budget and personnel for internal audit operations.

8.2). Provide opinions on the appointment, transfer, and dismissal of the Head of Internal Audit or any other unit responsible for internal auditing.

8.3). Evaluate the quality of internal auditing in accordance with international professional standards.

8.4). Review the annual internal audit plan.

8.5). Acknowledge internal audit reports, provide recommendations, and regularly monitor the progress of corrective actions for significant issues.

9). Preparation of the Audit Committee Report

The preparation of the Audit Committee Report and its disclosure in the annual registration statement/annual report, which must be signed by the Chairman of the Audit Committee, and include at least the following information:

(1) Opinion on the accuracy, completeness, and reliability of the Company's financial reports.
(2) Opinion on the adequacy of the Company's internal control system.
(3) Opinion on compliance with the securities and exchange law, the regulations of the Stock Exchange, or laws related to the Company's business.
(4) Opinion on the suitability of the external auditor.
(5) Opinion on transactions that may involve conflicts of interest.
(6) Number of Audit Committee meetings and attendance of each Audit Committee member.
(7) Overall opinions or observations received by the Audit Committee from performing its duties according to the charter.
(8) Opinion on the evaluation of its own performance and the performance of the committee.
(9) Disclose any other matters that the Committee deems necessary for shareholders and general investors to be informed of, within the scope of authority and responsibilities assigned by the Board of Directors.

10). Review the Audit Committee Charter and the Internal Audit Charter at least once a year, and present them to the Board of Directors for approval.

11). Engage external consultants or professional experts to provide advice, consultation, or opinions as the Audit Committee deems appropriate, at the Company's expense.

12). Perform any other tasks as assigned by the Board of Directors, with the prior approval of the Audit Committee.

Tenure (Audit Committee)

1) Members of the Audit Committee shall hold office for a term of three (3) years. An Audit Committee member who vacates office by rotation may be re-appointed as the Board of Directors deems appropriate. However, the total continuous tenure should not exceed nine (9) years from the date of the initial appointment, unless the Board of Directors or the Shareholders' Meeting resolves otherwise.
2) Vacation of Office
An Audit Committee member shall vacate office upon the occurrence of any of the following events:
(1) Termination of directorship and/or expiration of the term of office.
(2) Death.
(3) Resignation.
(4) Disqualification or possession of prohibited characteristics under the Public Limited Companies Act, the Securities and Exchange Act, and other relevant laws.
(5) Removal by a resolution of the Board of Directors, with a vote of not less than three-fourths (3/4) of the directors present at the meeting.
(6) Removal by a court order.
3) If an Audit Committee member wishes to resign before the expiration of their term, a written notice stating the reason for resignation must be submitted to the Chairman of the Audit Committee at least 30 days in advance. The Company is responsible for notifying the Stock Exchange of Thailand (SET) of the resignation and its reasons, as well as submitting the information to the Securities and Exchange Commission (SEC) to update the director database.
4) If an Audit Committee member is removed before the expiration of their term, the Company shall notify the Stock Exchange of Thailand (SET) of the removal and the reasons thereof. The Company shall also submit the information to the Securities and Exchange Commission (SEC) to update the director database.
5) If a position on the Audit Committee becomes vacant for reasons other than retirement by rotation, the Board of Directors and/or the Shareholders' Meeting shall appoint a fully qualified person to fill the vacancy. The newly appointed member shall hold office only for the remaining term of the director whom they replace. In cases where the number of Audit Committee members falls below the minimum requirement stipulated by law or relevant regulations, the Board of Directors and/or the Shareholders' Meeting must appoint new members to complete the committee within three (3) months from the date the vacancy occurred. Furthermore, the Company shall notify the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) accordingly.
6) If the entire Audit Committee vacates office, the retiring Audit Committee members must remain in office to continue operations until the new Audit Committee assumes its duties.

7.3.2 List of Members of Each Sub-committee

Risk Management Committee

The list of the Company's Risk Management Committee members as of December 31, 2025, consists of:

No.	Name – Surname	
1	Mr.Surachai Chitratsenee	Chairman of the Risk Management Committee
2	Mr.Artong Srihiran	Risk Management Committee Member
3	Mr.Weerayuth Sajjaphanroj	Risk Management Committee Member
4	Mr.Seksak Piriyetyanggoon	Risk Management Committee Member
5	Mr.Johson Lim	Risk Management Committee Member
6	Mr.Kusol Sripaoraya	Risk Management Committee Member

Note: The Risk Management Committee members were appointed by the Board of Directors Meeting No. 2/2023 on February 7, 2023, on the condition that the three independent directors must first be appointed as directors by the shareholders' meeting. Subsequently, the Extraordinary General Meeting of Shareholders No. 1/2023, held on February 16, 2023, resolved to appoint the three individuals to the position of director.

Scope of Authority, Duties, and Responsibilities

1) Define the policy, framework, and guidelines for risk management, business continuity management, and organisational development towards sustainability, including reviewing the policy regularly at least once a year to ensure consistency and suitability with the business conditions, and propose it to the Board of Directors for approval.
2) Appoint a risk management working group to support the risk management processes and activities, as well as organizational development towards sustainability.
3) Review and approve the Corporate Risk Register, which identifies key risks and emerging risks, risk owners, risk appetite, risk assessment results, current control measures, and additional risk response plans. This ensures that the Company's risk management is adequate and appropriate before presenting it to the Board of Directors for approval.
4) Facilitate corporate risk communication to all employees to ensure awareness of risk factors that may impact the Company's objectives.
5) Supervise, monitor, and evaluate the effectiveness of risk management, including compliance with the Risk Management Policy and the regulations established by relevant agencies.
6) Oversee the Company's sustainability operations and the disclosure of sustainability information to stakeholders, including reviewing for continuous improvement and development of performance.
7) Report key organizational risk factors, including risk status, risk management plans, progress of implementation of additional risk management plans, and the results of risk management to the Board of Directors quarterly, and in the event of significant factors or events that may materially affect the Company and/or stakeholders, they must be reported to the Board of Directors for acknowledgment and prompt consideration.
8) Communicate, exchange information, and coordinate on risk management and internal control with the Audit Committee.
9) Perform any other duties assigned by the Board of Directors.

Tenure

1) Members of the Risk Management Committee shall hold office for a term of three (3) years from the date of their appointment. Upon the expiration of their term, members may be re-appointed as deemed appropriate.
2) A Risk Management Committee member who is an Independent Director shall not hold office for more than nine (9) consecutive years from the date of their initial appointment, unless the Board of Directors resolves otherwise.
3) Vacation of Office

A Risk Management Committee member shall vacate office upon the occurrence of any of the following events:

(1) Termination of directorship and/or expiration of the term of office.
(2) Death.
(3) Resignation.
(4) Disqualification or possession of prohibited characteristics under the Public Limited Companies Act, the Securities and Exchange Act, and other relevant laws.
(5) Removal by a resolution of the Board of Directors, with a vote of not less than three-fourths (3/4) of the directors present at the meeting.
(6) Removal by a court order.

4) If a Risk Management Committee member wishes to resign before the expiration of their term, a written notice must be submitted to the Chairman of the Risk Management Committee at least 30 days in advance.
5) In the event of a vacancy in the Risk Management Committee, the Board of Directors shall appoint a fully qualified person to fill the position. The newly appointed member shall hold office only for the remaining term of the replaced Risk Management Committee member.

Nomination and Remuneration Committee

The list of the Company's Nomination and Remuneration Committee members as of December 31, 2025, consists of:

No.	Name - Surname	Position
1	Mr.Boonma Phonthanakornkul	Chairman of the Nomination and Remuneration Committee / Independent Director
2	Mr.Tepakul Poonlarp	Nomination and Remuneration Committee Member / Independent Director
3	Mr. Kittipong Puangmala	Nomination and Remuneration Committee Member

Note: The Nomination and Remuneration Committee members were appointed by the Board of Directors Meeting No. 2/2023 on February 7, 2023, on the condition that the two independent directors must first be appointed as directors by the shareholders' meeting. Subsequently, the Extraordinary General Meeting of Shareholders No. 1/2023, held on February 16, 2023, resolved to appoint the two individuals to the position of director.

Scope of Authority, Duties, and Responsibilities

1) Nomination Operations

1.1) Define the policy, criteria, and methods for nominating the Board of Directors and sub-committees by considering the suitability of the composition, qualifications, duties, and responsibilities of each committee, and propose it to the Board of Directors for approval.
1.2) Consider, search, and select suitable persons to hold the position of director whose term has expired and/or a vacant position and/or for additional appointment, and propose it to the Board of Directors and/or the shareholders' meeting for appointment (subject to the case).
1.3) Review the independence of directors, including potential conflicts of interest that may arise in the performance of their duties, and review the suitability of a director's position in the event of changes related to their qualifications.
1.4) Define the policy, criteria, and methods for nominating the Chief Executive Officer and senior executives, and propose it to the Board of Directors for approval.
1.5) Consider, search, and select suitable persons to hold the position of Chief Executive Officer and senior executives for the Board of Directors to consider for appointment.
1.6) Prepare and review the Succession Plan for the Chief Executive Officer and senior executives.

2) Remuneration Operations
   2.1) Define the policy and criteria for determining the remuneration of the Board of Directors, sub-committees, Chief Executive Officer, and senior executives that are consistent with the Company's objectives and goals, and propose it to the Board of Directors for approval.
   2.2) Determine the necessary and appropriate remuneration, both monetary and non-monetary, for each committee based on their duties, responsibilities, performance, and comparison with companies in similar businesses, as well as the expected benefits from the directors, for the Board of Directors to consider and approve, and propose it to the shareholders' meeting for final approval.
   2.3) Consider the criteria for evaluating the performance of the Chief Executive Officer and senior executives linked to the annual goals and strategic plans, and propose them to the Board of Directors for approval.
   2.4) Evaluate the annual performance and propose appropriate remuneration rates for the Chief Executive Officer and senior executives for the Board of Directors to consider for approval.
   2.5) Consider the suitability and approve the case of offering new securities to directors and employees, based on the principle of fairness to shareholders and creating incentives for directors and employees to perform their duties to generate long-term value added for shareholders and retain quality personnel.
3) Perform any other duties assigned by the Board of Directors.

Tenure

1) The term of office for a Nomination and Remuneration Committee member is 3 years per term. A retiring Nomination and Remuneration Committee member may be re-appointed by the Board of Directors as deemed appropriate.
2) Independent directors who are members of the Nomination and Remuneration Committee shall not serve for a continuous term exceeding 9 years from the date of initial appointment, unless the Board of Directors resolves otherwise.
3) A Nomination and Remuneration Committee member vacates office upon:
   (1) Ceasing to be a director and/or completing the term of office.
   (2) Death.
   (3) Resignation.
   (4) Lack of qualifications or having prohibited characteristics under the Public Limited Companies Act, the Securities and Exchange Act, and other relevant laws.
   (5) A resolution of the Board of Directors removes the member by a vote of not less than three-fourths (3/4) of the number of directors attending the meeting.
   (6) A court order removes the member.
4) A Nomination and Remuneration Committee member who wishes to resign before the end of the term must submit a written notice to the Chairman of the Nomination and Remuneration Committee at least 30 days in advance.
5) In the event of a vacancy in the position of a Nomination and Remuneration Committee member, the Board of Directors shall appoint a fully qualified person to hold the position in replacement, and the appointed person shall remain in office only for the remaining term of the replaced Nomination and Remuneration Committee member.

Executive Committee

The list of the Company's Executive Committee members as of December 31, 2025, consists of:

No.	Name – Surname	Position
1	Mr. Kittipong Puangmala	Chairman of the Executive Committee
2	Mr.Seksak Piriyetyanggoon	Executive Committee Member
3	Mr.Johson Lim	Executive Committee Member
4	Mr.Kusol Sripaoraya	Executive Committee Member

Note: All four Executive Committee members commenced their positions according to the resolution of the Board of Directors Meeting No. 2/2023 on February 7, 2023

Scope of Authority, Duties, and Responsibilities

1) Perform duties within the scope of the law, objectives, articles of association, policies, regulations, and resolutions of the Board of Directors and/or the shareholders' meeting with integrity, care, and protection of the Company's interests.
2) Consider and screen the business policies and strategies, short-term and long-term business plans, organizational structure, and annual budget of the Company and its subsidiaries, as well as proposals from management, for submission to the Board of Directors for approval.
3) Control, supervise, and monitor the operations of the Company and its subsidiaries to be in accordance with the strategies, policies, objectives, goals, operational plans, and annual budget approved by the Board of Directors.
4) Consider and screen matters for submission to the Board of Directors for approval, or consider and approve matters related to the Company's normal operations according to the approval authority.
5) Consider and review or approve transactions related to investments, acquisitions, and disposals of assets, including important matters that are not part of the Company's and its subsidiaries' normal operations, and propose them to the Board of Directors and consider for approval within the scope of approval authority, relevant laws, and regulations.
6) Consider and screen the organizational structure for submission to the Board of Directors for approval, and manage human resources efficiently, consistently with the Company's direction and strategy, covering the processes of recruitment, development, compensation structure, and performance evaluation of personnel below the Managing Director level.
7) Consider and approve the budget for annual salary adjustments and bonuses for personnel below the Managing Director level.
8) Supervise and monitor the operating results and financial position of the Company and its subsidiaries, and regularly report the operating results and financial position to the Board of Directors.
9) Oversee the disclosure of financial and non-financial information to be complete, accurate, and reliable.
10) Consider the Company's operating results for submission to the Board of Directors and/or shareholders for approval of interim and/or annual dividend payments.
11) Support risk management and compliance with good internal control principles.
12) Consider and screen the approval authority of the Company and its subsidiaries for submission to the Board of Directors for approval.
13) Review all types of matters that do not fall under the duties and responsibilities and/or authority of other sub-committees of the Company, for submission to the Board of Directors for approval.
14) Perform any other duties as assigned by the Board of Directors.
15) The Executive Committee may engage independent consultants or individuals to provide opinions if deemed necessary.
16) The Executive Committee has the authority to delegate one or more persons to perform any act within its scope of authority. The Executive Committee may cancel, revoke, change, or amend such authorized persons or delegations of authority as it deems appropriate.

The authorised person shall not be entitled to sub-delegate their authority to any other individual to act on their behalf, unless such sub-delegation is explicitly permitted under the original delegation of authority. Furthermore, any delegation or sub-delegation of authority must not be granted in a manner that enables the authorized person to approve transactions in which they, or any person with a potential conflict of interest, have a stake, a vested interest, or may receive any form of benefit, or may have any other conflict of interest with the Company and/or its subsidiaries.

The approval of such transactions must be submitted to the Board of Directors and/or the Shareholders' Meeting (as the case may be) for approval in accordance with the Company's Articles of Association or the regulations of the Securities and Exchange Commission (SEC) and/or the Stock Exchange of Thailand (SET). This restriction shall not apply to the approval of transactions conducted under normal business conditions with a clearly defined scope.

Tenure

1) Executive Directors who are also Board members shall hold their position in accordance with their term as a director, unless the Board of Directors resolves otherwise.
2) Executive Directors who are members of the Company's Management shall hold their position for as long as they remain in their management roles, unless the Board of Directors resolves otherwise.
3) Executive Directors who are external individuals (neither directors nor management of the Company) shall hold office for a term of three (3) years. Upon the expiration of their term, they may be re-appointed by the Board of Directors.
4) An Executive Committee member shall vacate office upon the occurrence of any of the following events:
   (1) Termination of status as a Director and/or Management member of the Company, and/or expiration of the term of office.
   (2) Death.
   (3) Resignation.
   (4) Disqualification or possession of prohibited characteristics under the Public Limited Companies Act and/or the Securities and Exchange Act.
   (5) Removal by a resolution of the Board of Directors, with a vote of not less than three-fourths (3/4) of the directors present at the meeting.
   (6) Removal by a court order.
5) An Executive Committee member wishing to resign before the expiration of their term must submit a written notice to the Chairman of the Executive Committee at least 30 days in advance.
6) In the event of a vacancy in the Executive Committee, the Board of Directors shall consider appointing another fully qualified individual, as specified in this Charter, to fill the position.

7.4 Management Information

7.4.1 Names and Positions of Management

As of December 31, 2025, the Company's Management team consists of the following individuals:

No.	Name – Surname	Position
1	Mr.Kittipong Puangmala	Chief Executive Officer (CEO)
2	Mr.Seksak Piriyetyanggoon	Managing Director – Factory Operations
3	Mr.Johson Lim	Managing Director – Innovation and International Trade
4	Mr.Kusol Sripaoraya	Chief Financial Officer (CFO)
5	Mr. Sakda Thongrong	Senior Executive Vice President – Office
6	Ms. Paksinan Boonsong	Senior Executive Vice President – Domestic Sales and Marketing

Note: 'Executives' refers to the management as defined in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities.

(1) The Person Assigned Highest Responsibility in Accounting and Finance

Mr.Kusol Sripaoraya is the person assigned the highest responsibility in the accounting and finance functions, holding the position of Chief Financial Officer (CFO). His educational background and professional experience are as follows:

Educational Background

- Master of Economics, National Institute of Development Administration (NIDA)
- Bachelor of Economics, Ramkhamhaeng University

Professional Experience

2018 – Present	Independent Director	Permsin Steel Works Public Company Limited
2017 – Present	Director and Chief Financial Officer,	Smothong Group Public Company Limited
1999 – 2017	Assistant President, Corporate Banking	CIMB Thai Bank Public Company Limited

Mr.Kusol Sripaoraya has completed the following training programs:

- CFO's Orientation Course (CFO's Orientation for New IPOs), organized by the Stock Exchange of Thailand (SET), was held in April 2025.
- Continuing Professional Development (CPD) in Accounting, as prescribed by the Office of the SEC, specifically the "e-Learning: CFO's Refresher (Thai Version)" course, organized by the Stock Exchange of Thailand (SET), was attended in February 2025.

(2) The Person Directly Responsible for Supervising Accounting

Ms. Kanya Nakplad is the person assigned direct responsibility for Vice President of Accounting and Finance (Accounting) (Chief Accountant), holding the position of Accounting Manager. Her educational background and professional experience are as follows:

Educational Background

- Bachelor of Accountancy, Tapi University

Professional Experience

2012 – Present Vice President of Accounting and Finance (Accounting) Smothong Group Public Company Limited

Ms. Kanya Nakplad is a registered accountant under the Accounting Act, with registration number 3810600146801. She has completed the Continuing Professional Development (CPD) in Accounting as prescribed by the Office of the SEC. The details of the training courses attended are as follows:

Course Title	Organizer	CPD Hours (Accounting)	Date of Attendance
Accountants and Sustainability Disclosure according to current regulations, IFRS S1 and IFRS S2 / Carbon Credit Accounting	Chulalongkorn University	6	December 17, 2025
Professional Reconciliation of Accounting Revenue and Tax Revenue	Samphakonsan (Revenue Department News)	4.30	December 22, 2025

(3) Scope of Authority and Responsibilities of the Chief Executive Officer (CEO)

1) Manage and control the overall operations of the Company to ensure alignment with policies, strategies, goals, business plans, financial targets, and the Company's budget.
2) Prepare strategic plans, business plans, and annual budgets for submission to the Executive Committee and the Board of Directors for approval, and report progress in accordance with the approved plans and budgets.
3) Monitor, inspect, control, and report the Company's overall performance to the Executive Committee and the Board of Directors.
4) Define the organizational structure and manage it to ensure efficient and effective operations, while promoting the development of potential among management and employees below the Managing Director level, within the scope of the Company's rules and regulations.
5) Hold the authority to hire, appoint, transfer, dismiss, and terminate employment, as well as determine wage rates, rewards, salary increments, bonuses, and welfare benefits for employees below the Senior Executive Vice President level, within the scope of the Company's rules and regulations.
6) Hold the authority to issue, amend, or supplement orders, rules, announcements, and work regulations to ensure that operations align with Company policies and interests, and to maintain organizational order and discipline.
7) Hold the authority to consider, negotiate, and approve or cancel legal acts, contracts, and/or any actions related to the Company's operations, in accordance with the Delegation of Authority (DOA) or within the credit limits approved by the Executive Committee and/or the Board of Directors.
8) Hold the authority to approve various expenses incurred in the Company's normal course of business, within the limits specified in the Delegation of Authority (DOA).
9) Approve the appointment of various advisors necessary for operations, in accordance with the Delegation of Authority (DOA) or within the limits approved by the Executive Committee and/or the Board of Directors.
10) Hold the authority to act and represent the Company in dealings with third parties for matters relevant and beneficial to the Company.
11) communications with the public, clients, and shareholders to build and maintain a strong reputation and positive corporate image for the Company.
12) Perform any other duties as assigned by the Executive Committee and/or the Board of Directors.
13) Any other approval authorities beyond those specified herein shall be governed by the Company's Delegation of Authority (DOA) as approved by the Board of Directors.

If the Chief Executive Officer is unable to perform their duties, the Managing Director – Factory Operations is designated to act on the Chief Executive Officer's behalf. Such delegation shall be limited only to what is necessary and appropriate under the specific circumstances.

The delegation of duties and responsibilities to the Chief Executive Officer must not be granted in a manner that allows the Chief Executive Officer, or any sub-authorized person, to approve transactions in which they or any person with a potential conflict of interest have a stake, a vested interest, or may receive any form of benefit, or have any other conflict of interest with the Company or its subsidiaries. The approval of such transactions must comply with the Company's policies and Articles of Association, or the regulations of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and/or any other relevant laws.

7.4.2 Remuneration Policy for Executive Committee and Management

The Extraordinary General Meeting of Shareholders No. 1/2025, held on March 15, 2025, approved the determination of director remuneration. It was resolved that Executive Directors, who already receive a regular monthly salary, shall not be entitled to receive monthly director fees or meeting allowances for their participation in Board of Directors or sub-committee meetings.

The Nomination and Remuneration Committee is the body responsible for reviewing the criteria, formats, and methods of payment in accordance with the guidelines established by the Board of Directors. The committee considers various factors, such as duties, scope of responsibility, individual performance, and the overall performance of the company.

The determination of monetary and non-monetary remuneration for management is categorized as follows:
Senior Management (CEO, CFO, and Managing Directors):

The Nomination and Remuneration Committee is responsible for evaluating its performance and providing opinions on the formats and methods of remuneration. These recommendations are then proposed to the Board of Directors for final approval.

Management below the Managing Director level (Senior Executive Vice Presidents):

The Executive Committee is responsible for evaluating its performance and determining the formats and methods of remuneration, in accordance with the criteria and guidelines established by the Board of Directors.

7.4.3 Total Remuneration for the Executive Committee and Management

The details of management remuneration for the years 2023 – 2025 are as follows:

Description	2023		2024		2025	
	Number (Persons)	Million Baht	Number (Persons)	Million Baht	Number (Persons)	Million Baht
Monetary and Other Remuneration	6	23.04	6	26.75	6	32.70

Note: Monetary and other remuneration exclude traveling expenses.

(1) Monetary Remuneration

Monetary remuneration for Management consists of salaries, bonuses, social security contributions, and various welfare benefits (such as telephone allowances, travel allowances, etc.). For the year 2025, the total monetary remuneration amounted to 32.70 million Baht, which was paid to six (6) executives of the Company.

(2) Other Remuneration

Other remuneration consists of:

(A) Provident Fund

The Company has established the CIMB-Principal Life Path Target Date Fund, managed by CIMB-Principal Asset Management Company Limited. The fund was officially registered on June 1, 2018, in accordance with the Provident Fund Act B.E. 2530 (1987) (including any subsequent amendments). The Company maintains a policy to encourage its Provident Fund Committee to select fund managers who demonstrate responsible investment practices by integrating Environmental, Social, and Governance (ESG) factors. This includes compliance with the Investment Manager's Code of Conduct and transparency regarding the selection criteria disclosed to members. This approach is intended to ensure the maximum long-term benefit for all members of the Company's Provident Fund.

(B) Life Insurance Benefits

Pursuant to the Board of Directors' Meeting No. 7/2023, held on November 14, 2024, the Board resolved to approve executive welfare in the form of life insurance premium payments for the Company's key executives. This initiative aims to boost morale and serve as a long-term incentive for the management team.

In 2025, the Company paid life insurance premiums for a total of six (6) executives, amounting to 2.40 million Baht.

(C) Allocation of Common Shares to Directors, Management, and Employees

According to the 2025 Annual General Meeting of Shareholders, held on March 15, 2025, a resolution was passed to approve the allocation of the Company's newly issued common shares for offering to directors, management, and employees. The Board of Directors authorized the Chief Executive Officer, or a person designated by the Chief Executive Officer, to manage the allocation of these shares. Eligible recipients must maintain their status as a director, management member, or employee of the Company as of the offering date. The offering price is set at Baht 5.4 per share, which is the same as the price offered in the Company's Initial Public Offering (IPO).

7.5 Employee Information

Number of Personnel of the Company and its Subsidiaries

The following table presents the number of personnel of the Company and its subsidiaries (excluding Management), categorized by department, as of December 31, 2023, December 31, 2024, and December 31, 2025:

Department / Section	Number of Employees		
	2023	2024	2025
Corporate Strategy	3	3	3
Biogas	15	21	22
Finance	14	17	20
International Sales and Marketing	2	2	3
Domestic Sales and Marketing	12	14	16
Quality Control	14	17	20
General Purchasing	8	8	9
Raw Material Purchasing	60	65	147
Human Resources	16	23	30
Information Technology	4	4	5
Management	2	1	3
Quality, Safety, Occupational Health, and Environment	7	10	18
Accounting	11	12	15
Branch Factory	121	172	203
Logistics	37	44	47
Project Engineering	4	5	5
Executive Secretary Office	3	3	3
Office	3	3	1
Total Permanent Employees	333	421	570
Daily Workers	172	229	202
Total	505	650	772

Note: According to the Board of Directors' Meeting No. 2/2024, held on January 27, 2024, a resolution was passed to approve the acquisition of shares in A.L. Palm Company Limited. Following the completion of this transaction, A.L. Palm Company Limited became a subsidiary of the Group. Consequently, the employee headcount of A.L. Palm Company Limited has been consolidated into the Group's total personnel figures starting from the year 2024.

The Company and its subsidiaries comply with the law regarding the promotion and development of the quality of life of persons with disabilities. For the current reporting year, the Company and its subsidiaries have not yet employed persons with disabilities at the ratio prescribed by law.

However, the Company and its subsidiaries have fully remitted contributions to the Fund for the Empowerment of Persons with Disabilities in accordance with legal requirements. These contributions are intended to support the development of quality of life and create opportunities for persons with disabilities within society.

Total Remuneration and Benefits for Employees

For the years 2023, 2024, and 2025, the total remuneration and benefits provided by the Company to its personnel are as follows:

Type of Remuneration (Million Baht)	2023	2024	2025
Salary, Overtime, Bonus, and Social Security	130.21	165.56	209.82
Provident Fund Contributions and Other Welfare	2.10	2.34	1.89
Total	132.31	167.90	211.71

(1) Provident Fund

The Company has established the CIMB-Principal Life Path Target Date Fund, managed by CIMB-Principal Asset Management Company Limited. The fund was officially registered on June 1, 2018, in accordance with the Provident Fund Act B.E. 2530 (1987) (including any subsequent amendments). The Company has established a policy to provide monthly contributions at a rate of 5% of each member's wages. Furthermore, the Company maintains a policy to select fund managers who demonstrate responsible investment practices by integrating Environmental, Social, and Governance (ESG) factors. This includes adherence to the Investment Manager's Code of Conduct and transparency regarding the selection criteria disclosed to members, ensuring the maximum long-term benefit for the fund's members.

Additionally, the Company actively encourages and promotes employee participation in the Provident Fund. The details of employee participation in the Provident Fund are as follows:

Provident Fund Participation Details	2023		2024		2025	
	Participating Employees	Total Employees	Participating Employees	Total Employees	Participating Employees	Total Employees
Number of Employees Joining the Fund	176	339	205	427	257	609
Participation Rate (%)	51.92%		48.01%		42.20%	

(2) Right to Subscribe for the Company's Newly Issued Common Shares (IPO) for Directors, Management, and Employees

According to the 2025 Annual General Meeting of Shareholders, held on March 15, 2025, a resolution was passed to approve the allocation of the Company's newly issued common shares for offering to directors, management, and employees.

The Board of Directors authorized the Chief Executive Officer, or a person designated by the Chief Executive Officer, to manage the allocation of these shares. Eligible recipients must maintain their status as a director, management member, or employee of the Company as of the offering date. The offering price is set at Baht 5.40 per share, which is the same as the price offered in the Company's Initial Public Offering (IPO).

Furthermore, no director, management member, or employee was allocated more than 5% (five percent) of the total common shares offered under this issuance.

7.6 Other Important Information

7.6.1. Personnel in Key Advisory and Supervisory Roles

Person Directly Responsible for Accounting Supervision:

Ms. Kanya Nakplud, Vice President (VP) of Accounting and Finance (Accounting). (Qualifications and profile appear in Attachment 1). She is responsible for supervising the preparation of accounts, overseeing accounting processes, and managing accounting activities for the Company and its subsidiaries. Her role ensures compliance with company regulations, criteria, and evolving accounting standards to guarantee that financial reports are accurate, efficient, and reliable. She has held the position since 2012.

Head of Internal Audit:

The Company has engaged D I A Audit Co., Ltd. ("DIA") to serve as the internal auditor for the Company and its subsidiaries. DIA has assigned Mrs. Vilairat Rojnuckarin as the Head of Compliance Supervision. (Qualifications and profile appear in Attachment 3).

Company Secretary:

The Board of Directors resolved to appoint Ms. Thanamas Teparos as the Company Secretary at Board Meeting No. 2/2023 on February 7, 2023. (Qualifications and profile appear in Attachment 1). Her scope of authority and responsibilities are as follows:

Scope of Authority and Responsibilities of the Company Secretary:

The Company Secretary must perform duties with responsibility, due care, and integrity in accordance with the Securities and Exchange Act. Key responsibilities include:

1. Prepare, update, and maintain the following documents:
   1) Register of Directors.
   2) Meeting notices and minutes of the Board of Directors and Sub-committees, and the Company's Annual Registration Statement/ Annual Report.
   3) Notices and minutes of Shareholders' Meetings.
   4) Register of major shareholders and the Company's share register. (Upon becoming a listed company on the SET, this task may be transferred to an external registrar).
   5) Reports on conflicts of interest filed by directors, executives, and related persons.
   6) Corporate seals and important documents of the Company and affiliates as assigned.
2. Submit copies of conflict of interest reports to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days of receipt.
3. Organize meetings of the Board, Sub-committees, and Shareholders in compliance with laws, Company Articles of Association, and Good Corporate Governance principles; ensure minutes are completed within 14 days of the meeting.
4. Communicate and monitor compliance with resolutions and policies of the Board, Sub-committees, and Shareholders.

5. Provide legal and regulatory advice and governance best practices to the Board.
6. Provide necessary information and orientation for current and newly appointed directors.
7. Arrange performance evaluations for the Board and Sub-committees.
8. Coordinate with subsidiaries and associates for necessary approvals/consents from the Company's Board or Shareholders.
9. Liaise with regulatory agencies (e.g., SET, SEC) to ensure accurate and complete information disclosure.
10. Manage Investor Relations in collaboration with the Executive Secretary Office to communicate with shareholders and investors regarding their rights and corporate news.
11. Advise on approval processes for investment budgets, including related party transactions or potential conflicts of interest, and prepare minutes as evidence of project approval.
12. Handle corporate registration with the Department of Business Development, Ministry of Commerce.
13. Perform other duties as assigned or required by law.

7.6.2. Investor Relations

Name : Mr. Kusol Sripaurya, Chief Financial Officer (CFO)
Email : kusol.s@smg-thai.com, sc@smg-thai.com
Phone : 077-951470 ext. 246
Fax: 077-951471
Post: Investor Relations, Samothong Group Public Company Limited (Head Office), 119/1 Moo 10, Prasong, Tha Chana, Surat Thani 84170

Responsibilities: ıLiaising and communicating with shareholders and general investors regarding their rights and company news, as well as managing the corporate image and public relations.

7.6.3. Auditor's Remuneration

1. Audit Fee

The Company and its subsidiaries paid audit fees to EY Office Limited for the years ended December 31, 2023, 2024, and 2025 as follows:

Audit Fee (Million Baht)	FY 2023	FY 2024	FY 2025
The Company	4,025,000	4,125,000	3,950,000
Subsidiaries	460,000	1,260,000	1,080,000
Total	4,485,000	5,385,000	5,030,000

2. Non-audit Fee

For the year 2025, the Group incurred non-audit expenses for tax advisory services provided to a subsidiary by EY Corporate Services Limited. The service involved VAT and related tax consultation under the Revenue Code, with a total fee of 100,000 Baht (excluding VAT).

8. Corporate Governance Report

8.1 Summary of Board Performance in the Past Year

The Board of Directors plays a vital role in defining the Group's objectives, goals, strategies, policies, operations, and resource allocation. This includes continuous oversight and monitoring of implementation, as well as reviewing the Group's key policies and business plans to ensure the organization achieves its objectives through collective decision-making. Consequently, the Board's function is of utmost importance. Directors must perform their duties with knowledge, competence, and accountability, serving as role models for employees throughout the organization. The details of the Board's performance are as follows:

8.1.1 Recruitment, Development, and Performance Evaluation of the Board

(1) Recruitment of Directors, Sub-committee Members, and the Chief Executive Officer (CEO)

The recruitment of individuals for key positions within the Company is conducted through the Nomination and Remuneration Committee. This committee consists of three members, two of whom are Independent Directors. Its primary responsibilities include defining the policies, criteria, and recruitment methods for the Board of Directors and Sub-committees. The committee considers the composition, qualifications, duties, and responsibilities required for each board or committee. It is also tasked with searching for and selecting qualified candidates for directorships or sub-committee roles. Furthermore, the committee reviews directors' independence, identifies potential conflicts of interest in the performance of their duties, and evaluates the ongoing suitability of directors in the event of changes to their qualifications.

(1.1) Independent Directors

The Board of Directors shall consist of independent directors totaling at least one-third (1/3) of the entire Board. All independent directors must possess the qualifications prescribed by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to equitably protect the interests of all stakeholder groups and oversee against potential conflicts of interest. The detailed qualifications are as follows:

1.) Holding no more than 1% of the total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons. This includes shares held by related persons of the independent director.
2.) Not being or having been an executive director, employee, staff member, advisor receiving a regular salary, or a controlling person of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling persons, unless such status ended at least 2 years before the appointment. This restriction does not

apply to independent directors who were formerly government officials of a major shareholder or a controlling person.

3.) Not being a person related by blood or legal registration as a parent, spouse, sibling, or child—including the spouse of a child—of other directors, executives, major shareholders, controlling persons, or individuals nominated as directors, executives, or controlling persons of the Company or its subsidiaries.

4.) Having no current or prior business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons in a manner that may impede independent judgment. This includes not being a significant shareholder or a controlling person of an entity having a business relationship with the Company, unless such relationship ended at least 2 years prior to the appointment.

5.) Not being or having been an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, and not being a significant shareholder, controlling person, or partner of the audit firm which employs the auditors of the Company, unless such status ended at least 2 years prior to the appointment.

6.) Not being or having been a provider of any professional services, including legal or financial advisory services, receiving fees exceeding 2 million THB per year from the Company, its subsidiaries, associates, or legal entities with potential conflicts, unless such status ended at least 2 years before the appointment.

7.) Not being a director appointed as a representative of the Company's directors, major shareholders, or shareholders related to major shareholders.

8.) Not engaging in any business of the same nature and in significant competition with the business of the Company or its subsidiaries. This includes not being a significant partner in a partnership, an executive director, employee, staff member, advisor receiving a regular salary, or holding more than 1% of the total voting shares of another company engaging in such competitive business.

9.) Having no other characteristics that prevent the expression of independent opinions regarding the Company's operations.

In cases where the appointed independent director has or previously had a business relationship or provided professional services exceeding the value specified in items (4) or (6), the Board of Directors may grant a waiver. This is provided that the Board has considered the principles under Section 89/7 of the Securities and Exchange Act and determined that such appointment does not affect the director's performance of duties or the ability to provide independent opinions.

(1.2) Appointment of Directors

The appointment of directors is conducted in accordance with the Company's Articles of Association and relevant laws. The recruitment process follows the criteria and procedures approved by the Board of Directors and is managed by the Nomination and Remuneration Committee.The selection process considers a diversity of qualifications, including knowledge, competence, professional expertise, and specific technical skills. It also includes candidates nominated by minority shareholders based on the Company's specified criteria. Candidates who pass the recruitment process are proposed to the Board of Directors' meeting and/or the Shareholders' meeting for appointment. For appointments made by the Shareholders' meeting, a majority vote is required based on the following criteria:

1.) Each shareholder shall have a number of votes equal to the number of shares held, where one share equals one vote.

2.) The election of directors may be conducted either individually (one person at a time) or as a group, as deemed appropriate by the Shareholders' meeting. However, in each resolution, shareholders must exercise all their votes as specified in item (1) and cannot split their votes among multiple candidates. Therefore, shareholders cannot distribute their votes to favor any particular candidate under Section 70, paragraph one, of the Public Limited Companies Act B.E. 2535 (Non-Cumulative Voting only).

3.) Candidates receiving the highest number of votes in descending order shall be elected as directors, up to the number of directors to be elected at that time. In the event of a tie among candidates in the next descending order, which exceeds the number of directors to be elected, the Chairman of the meeting shall have the casting vote.

The appointment process must be transparent and clear, resulting from a resolution of the Shareholders' meeting or the Board of Directors in cases where a directorship becomes vacant before the expiration of the term. If a directorship becomes vacant for reasons other than the expiration of the term by rotation, the Board of Directors shall consider appointing a qualified person who does not possess any prohibited characteristics under the Public Limited Companies Act, the Securities and Exchange Act, and other relevant laws to fill the vacancy at the next Board meeting. An exception is made if the remaining term of the vacating director is less than two months. The substitute director shall hold office only for the remainder of the term of the director they replace. The Board's resolution for such an appointment must consist of at least three-fourths (3/4) of the votes of the remaining directors.

(1.3) Board of Directors

As of December 31, 2025, the Company's Board of Directors consists of 9 members as follows:

Name	Position
1.Mr.Surachai Chitratsenee	Chairman of the Board
2.Mr. Seksak Piriyetyanggoon	Vice Chairman of the Board
3.Mr.Tepakul Poonlarp	Independent Director / Chairman of the Audit Committee
4.Mr.Boonma Phonthanakornkul	Independent Director / Audit Committee Member
5.Mr.Artong Srihiran	Independent Director/ Audit Committee Member
6.Mr.Weerayuth Sajjaphanroj	Independent Director
7.Mr. Kittipong Puangmala	Director / Chief Executive Officer (CEO)
8.Mr. Johson Lim	Director
9.Mr. Kusol Sripaoraya	Director

(1.4) Sub-committees

The Nomination and Remuneration Committee is responsible for selecting members of the Sub-committees. Candidates must possess the requisite knowledge, competence, and experience, as well as demonstrate integrity and high business ethics. They must have a thorough understanding of the qualifications, duties, and responsibilities associated with their specific sub-committee role and be able to fully dedicate themselves to the Company's best interests. The appointment of all Sub-committee members must be formally approved by the Board of Directors.

(1.5) Chief Executive Officer (CEO)

The Nomination and Remuneration Committee is tasked with selecting the individual to hold the position of Chief Executive Officer. This may be done through the succession planning process or by external recruitment as deemed appropriate. The objective is to appoint a highly capable leader to manage and control all corporate operations, ensuring the Company achieves its defined goals and maximizes corporate value. The Board of Directors is responsible for the final appointment of the CEO. The CEO's primary mandate is to manage and oversee the Company's overall business operations in alignment with established policies, strategies, objectives, operational plans, financial targets, and budgets.

If the Chief Executive Officer is unable to perform their duties, the Managing Director - Plant Operations shall act on their behalf. Such delegation of authority shall be limited to what is necessary and appropriate under the circumstances at that time.

(2) Development of Directors and Sub-committees

The Company recognizes the importance of the duties performed by new directors. Accordingly, the Nomination and Remuneration Committee, or a designated person, is mandated to organize an orientation for new directors and provide a Director's Manual. This ensures that new directors understand their roles, duties, and responsibilities, providing a practical guideline for their preparation in overseeing the Company's corporate governance. This process also builds comprehensive knowledge and understanding of the Company's business and operations.

In 2025, 100% of the Board of Directors successfully completed the Director Certification Program (DCP) organized by the Thai Institute of Directors (IOD).

Furthermore, the Company maintains a policy to support and promote continuous knowledge development for directors. This includes encouraging participation in seminars and training programs organized by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand (SET), and other relevant institutions. This support ensures that directors can adapt and apply their knowledge appropriately to changing circumstances and contribute to the Company's sustainable development.

(3) Performance Evaluation of the Board of Directors

The Board of Directors mandates an annual performance evaluation of the Board and its Sub-committees at least once a year. The evaluation forms are designed to align with the Company's Principles of Good Corporate Governance and the specific scopes of authority and responsibility of the Board and each Sub-committee.

The evaluation is conducted in two formats, which are Board-as-a-Whole Evaluation and Individual Director Evaluation, utilizing Self-evaluation and/or Cross-evaluation methods. These evaluations enable the Board to review performance, identify problems, and address obstacles, leading to improved operational efficiency. For Senior Executive Performance Evaluation, the goals and criteria are linked directly to the Company's strategic and annual operational plans. These results are used to determine appropriate remuneration and incentive measures. Additionally, the Board may engage external consultants to assist in defining guidelines and suggesting key themes for the Board's performance assessment.

For the year 2025, the Company Secretary was responsible for gathering the evaluation results and preparing a summary report for presentation to the Board of Directors' meeting.

(4) Succession Planning and Performance Evaluation

The Group recognizes the importance of effective corporate management in driving sustainable growth. Consequently, the Succession Planning and Personnel Management Policy has been established to serve as a guideline for oversight, planning, and defining criteria for selecting successors appropriately and transparently. This ensures workforce readiness and business continuity, enabling the Group to achieve its defined objectives and goals.

(4.1) Succession Planning and Performance Evaluation for the Chief Executive Officer (CEO) and Senior Executives

(4.1.1) Succession Planning

The CEO and Senior Executives are key individuals in driving the organization toward its targets. The Board of Directors, therefore, prioritizes succession planning to ensure management continuity that aligns with the business strategies and environments of each period.

1.) Establishment of Criteria and Appropriate Qualifications

1.1) The Board of Directors defines the recruitment criteria for the CEO and Senior Executives by considering qualified candidates from both within and outside the organization. This ensures alignment with the current situation, challenges, operational models, and business environment. The criteria avoid discriminatory or restrictive qualifications (such as gender or ethnicity), except where justified by business necessity.

1.2) The Board determines appropriate qualifications by covering key factors such as knowledge, skills, attitude, expertise, experience, and an understanding of the business operations and organizational context, as well as personal attributes.

1.3) The Board considers establishing Individual Development Plans (IDP) for senior executives who possess potential for succession, enhancing their capabilities to meet the specified qualifications of the CEO.

1.4) The Board mandates an annual review of the criteria and a report on the progress of the succession plan for the CEO and Senior Executives.

2.) Recruitment and Selection Procedures

2.1) When the CEO position becomes vacant or the incumbent is unable to perform their duties, the Board of Directors designates the Managing Director - Factory Operations, or an individual appointed by the Executive Committee, to serve as Acting CEO until the recruitment and selection process is completed. The Nomination and Remuneration Committee will select from the pool of designated successors or recruit additional candidates as appropriate to align with the organization's strategies and goals.

2.2) When a Senior Executive position becomes vacant or the incumbent is unable to perform their duties, the Board designates an executive of a similar or subordinate level to serve as the Acting officer until the recruitment process is finalized. The Nomination and Remuneration Committee will select from designated successors or recruit further as appropriate.

2.3) The Nomination and Remuneration Committee selects the candidates for the CEO and Senior Executive positions and proposes them to the Board of Directors for formal appointment. Subsequently, the Board is responsible for officially communicating the recruitment results to shareholders and stakeholders.

(4.1.2) Performance Evaluation and Compensation

1.) Evaluation Process

1.1) The Board of Directors is responsible for approving the evaluation criteria, performance appraisal forms, and Corporate Strategic Key Performance Indicators (KPIs) for the organization and senior management. This includes determining the appropriate compensation for the Chief Executive Officer (CEO) and Senior Executives, as screened and recommended by the Nomination and Remuneration Committee.

1.2) The Nomination and Remuneration Committee provides an opportunity for the CEO and Senior Executives to conduct a self-evaluation at least once a year to gather their internal perspectives.

1.3) The Nomination and Remuneration Committee evaluates the performance of the CEO and Senior Executives at least once a year to monitor and ensure that their performance aligns with the defined short, medium, and long-term goals.

1.4) The Chairman of the Board, or a designated director, is responsible for communicating the evaluation results, including areas for improvement and further expectations, to the CEO and Senior Executives for their ongoing development.

1.5) The Board ensures that the principles and processes for evaluating the CEO's performance are disclosed in the Annual Report. This informs shareholders that the Board consistently monitors the performance of the CEO and Senior Executives.

2.) Evaluation Criteria

The Board of Directors establishes the performance measurement criteria for the Chief Executive Officer (CEO) and Senior Executives based on two main components:

2.1) Performance Indicators Reflecting Corporate Results: These include indicators related to duties, responsibilities, and overall economic conditions, as well as benchmarking against the practices of listed companies in the same industry and/or of a similar size. The performance indicators encompass both financial and non-financial metrics, which drive the CEO and Senior Executives to prioritize the long-term results and sustainability of the business.

2.2) Performance Appraisal Forms: These evaluate specific skills and other competencies essential for the performance of their duties. The data obtained from these appraisals also serves as a reference for defining qualifications in the succession planning process.

3.) Compensation for the CEO and Senior Executives

The Board of Directors determines compensation as an incentive to encourage the CEO and Senior Executives to perform their duties in alignment with the organization's core objectives and goals. The compensation structure and payment criteria are based not only on evaluation results but also on other relevant factors considered by the Board to account for both potential positive and negative impacts.

8.1.2 Meeting Attendance and Remuneration for Individual Directors

8.1.2.1 Meeting Attendance of the Board of Directors

For the years 2024 and 2025, the Company held Board of Directors' meetings. The details of each director's attendance are as follows:

Name of Director	Position	Number of Meetings Attended / Total Meetings	
		Year 2024	Year 2025
1.Mr.Surachai Chitratsenee	Chairman of the Board	11/11	8/8
2.Mr. Seksak Piriyetyanggoon	Vice Chairman of the Board	11/11	8/8
3.Mr.Tepakul Poonlarp	Independent Director / Audit Committee Member	11/11	8/8
4.Mr.Boonma Phonthanakornkul	Independent Director / Audit Committee Member	11/11	8/8
5.Mr.Artong Srihiran	Independent Director / Audit Committee	11/11	8/8
6.Mr.Weerayuth Sajjaphanroj	Director	11/11	8/8
7.Mr. Kittipong Puangmala	Director/ Chief Executive Officer	11/11	8/8
8.Mr. Johson Lim	Director	11/11	8/8
9.Mr. Kusol Sripaoraya	Director	11/11	8/8

8.1.2.2 Meeting Attendance of Sub-committees

For the years 2024 and 2025, the Company held meetings for its Sub-committees, which include the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Executive Committee. The attendance details for each sub-committee member are as follows:

(1) Audit Committee

Name of Director	Position	Number of Meetings Attended / Total Meetings	
		Year 2024	Year 2025
1.Mr.Tepakul Poonlarp	Chairman of the Audit Committee	4/4	5/5
2.Mr.Boonma Phonthanakornkul	Audit Committee Member	4/4	5/5
3.Mr.Artong Srihiran	Audit Committee Member	4/4	5/5

(2) Nomination and Remuneration Committee

Name of Director	Position	Number of Meetings Attended / Total Meetings	
		Year 2024	Year 2025
1.Mr.Boonma Phonthanakornkul	Chairman of the Nomination and Remuneration Committee	3/3	3/3
2.Mr.Tepakul Poonlarp	Nomination and Remuneration Committee Member	3/3	3/3
3.Mr. Kittipong Puangmala	Nomination and Remuneration Committee Member	3/3	3/3

(3) Risk Management Committee

Name of Director	Position	Number of Meetings Attended / Total Meetings	
		Year 2024	Year 2025
1.Mr.Surachai Chitratsenee	Chairman of the Risk Management Committee	5/5	4/4
2.Mr.Artong Srihiran	Risk Management Committee Member	5/5	4/4
3.Mr.Weerayuth Sajjaphanroj	Risk Management Committee Member	5/5	4/4
4.Mr. Seksak Piriyetyanggoon	Risk Management Committee Member	5/5	4/4
5.Mr. Johson Lim	Risk Management Committee Member	5/5	4/4
6.Mr. Kusol Sripaoraya	Risk Management Committee Member	5/5	4/4

(4) Executive Committee

Name of Director	Position	Number of Meetings Attended / Total Meetings	
		Year 2024	Year 2025
1.Mr. Kittipong Puangmala	Chairman of the Executive Committee	13/13	14/14
2.Mr. Seksak Piriyetyanggoon	Executive Committee Member	13/13	14/14
3..Mr. Johson Lim	Executive Committee Member	13/13	14/14
4.Mr. Kusol Sripaoraya	Executive Committee Member	13/13	14/14

8.1.2.3 Remuneration of the Board of Directors and Sub-committees

The Company has established criteria to ensure that the remuneration structure for the Board of Directors and Sub-committees—both monetary and non-monetary—is appropriate. This is determined based on the duties, responsibilities, and performance of each board and committee, compared with companies in similar industries, as well as the expected benefits from the directors. The Nomination and Remuneration Committee is responsible for reviewing and screening the remuneration structure for the Board of Directors and Sub-committees to propose to the Board of Directors for consideration, before seeking final approval from the Shareholders' Meeting. The remuneration is categorized as follows:

(1) Monetary Remuneration

The 2025 Annual General Meeting of Shareholders, held on March 15, 2025, approved the remuneration for the Board of Directors and Sub-committees for the year 2025. This includes monthly retainers and meeting allowances, with a total budget not exceeding 3,500,000 THB. The details are as follows:

Committee / Position	Year 2024	
	Monthly Retainer (THB / Person	Meeting Allowance (THB / Person / Meeting)
Board of Directors		
- Chairman of the Board	30,000	25,000
- Director	25,000	20,000
Audit Committee		
- Chairman of the Audit Committee	-	15,000
- Audit Committee Member	-	10,000
Nomination and Remuneration Committee		
- Chairman of the Nomination and Remuneration Committee	-	15,000
- Nomination and Remuneration Committee Member	-	10,000
Risk Management Committee		
- Chairman of the Risk Management Committee	-	15,000
- Risk Management Committee Member	-	10,000
Executive Committee		
- Chairman of the Executive Committee	-	-
- Executive Committee Member	-	-

Notes: 1. The aforementioned remuneration has been reviewed and considered by the Nomination and Remuneration Committee, the Board of Directors, and has been duly approved by the Shareholders.
2. Directors who are executives or employees receiving a regular monthly salary from the Company are not entitled to receive the aforementioned remuneration (retainers and meeting allowances).

(2) Non-Monetary Remuneration

- None -

For the year ended December 31, 2025, the Company paid remuneration to the Board of Directors and Sub-committees, with the following details:

Name of Directors	Individual Director Remuneration for the Year Ended December 31, 2025					
	BOD: Board of Directors	AC: Audit Committee	NRC: Nomination and Remuneration Committee	RMC: Risk Management Committee	EXCOM: Executive Committee	Total
1.Mr.Surachai Chitratsenee	560,000	-	-	60,000		620,000
2.Mr. Seksak Piriyetyanggoon	-	-	-	-		-
3.Mr.Tepakul Poonlarp	460,000	75,000	30,000	-		565,000
4.Mr.Boonma Phonthanakornkul	460,000	50,000	45,000	-		555,000
5.Mr.Artong Srihiran	460,000	50,000	-	40,000		550,000
6.Mr.Weerayuth Sajjaphanroj	460,000	-	-	40,000		500,000
7.Mr. Kittipong Puangmala	-	-	-	-		-
8.Mr. Johson Lim	-	-	-	-		-
9.Mr. Kusol Sripaoraya	-	-	-	-		-
Total	2,400,000	175,000	75,000	140,000		2,790,000

8.1.3 Governance of Subsidiaries

The Group is committed to sustainable business development and operations by adhering to the Principles of Good Corporate Governance to mitigate risks and foster long-term growth. Accordingly, the Subsidiary and Associate Governance Policy has been established to provide a framework and mechanism for overseeing the operational policies of subsidiaries and associates, both directly and indirectly. This includes appropriate monitoring measures to effectively protect the Company's investment interests. The full version of this policy is available for further study in Attachment 5.

In 2025, the Executive Committee appointed directors to the subsidiaries. Detailed information regarding the directors, executives, and controlling persons of the subsidiaries can be found in Attachment 2.

8.1.4 Monitoring of Compliance with Corporate Governance Policies and Guidelines

The Company prioritizes good corporate governance by establishing relevant policies and guidelines within the Corporate Governance Manual (CG Code) and the Code of Business Conduct. The Company actively promotes practical implementation to build trust among all stakeholder groups. The Corporate Governance Manual was initially approved on December 17, 2019, per the Board of Directors' Meeting No. 11/2019, in alignment with the Corporate Governance Code for Listed Companies 2017 as prescribed by the Office of the SEC. Since its adoption, the Company has consistently monitored compliance and made continuous updates to ensure the manual reflects the Company's operational practices. The most recent version was announced on March 28, 2025, per the Board of Directors' Meeting No. 1/2025 (post-transformation). The full version of the corporate governance policies and guidelines is available in Attachment 5.

8.1.4.1 Prevention of Conflict of Interest

The Group is committed to conducting its business with responsibility, prudence, integrity, fairness, and transparency in accordance with the Principles of Good Corporate Governance. The Company has established a Conflict of Interest Policy to control and prevent any conflict of interest and to ensure that the Group's personnel understand and correctly handle transactions that may lead to such conflicts. The key details are as follows:

(1) Overseeing the Group to ensure the disclosure of transactions that may involve conflicts of interest or related party transactions in accordance with the regulations prescribed by the Office of the SEC and/or the SET. This ensures the Company has sufficient information to comply with requirements regarding related party transactions, which could potentially lead to a siphoning of the Group's interests.

(2) Strictly adhering to the Code of Business Conduct and avoiding any self-dealing, related party transactions, or transactions with persons who may have a conflict of interest. Personnel must refrain from any actions that conflict with the Group's interests or involve seeking personal gain for themselves and/or related parties.

(3) Ensuring that the business structure does not overlap or create conflicts of interest. The organizational structure is designed to separate the duties and responsibilities of directors, executives, and employees, ensuring their operational roles remain independent to prevent conflicts of interest.

(4) Personnel should avoid holding shares, directorships, executive positions, or advisory roles in entities that operate in the same industry, compete with the Group, or may have a conflict of interest. Holding shares or positions in other organizations is permissible only if it does not conflict with the Company's interests or the individual's performance of duties within the Group, and provided that such actions comply with the Public Limited Companies Act, the Securities and Exchange Act, and other relevant laws and regulations.

(5) Supervising the Company and its subsidiaries to maintain an effective, prudent, transparent, and auditable internal control system for approving transactions with potential conflicts of interest. Furthermore, the Group must establish mechanisms to monitor and evaluate the adequacy of internal controls, with findings reported to the Audit Committee and the Board of Directors.

8.1.4.2 Internal Information Usage

The Group is committed to conducting its business with transparency and recognizes the critical importance of internal information management. Accordingly, an Insider Trading Policy has been established to provide guidelines for the use of internal information in compliance with the Securities and Exchange Act, as well as other relevant rules and laws, to protect the best interests of the Group. The key details are as follows:

(1) All personnel of the Group are responsible for maintaining the confidentiality and/or internal information of the Group, as well as the confidential information of stakeholders obtained through their duties. The disclosure of such secrets and/or internal information to unauthorized persons, both within and outside the Company, is strictly prohibited even after the termination of employment. Exceptions are made only when disclosure is authorized by an empowered official, required by law, or mandated by a resolution of the Board of Directors, regardless of whether such disclosure causes damage to the Group or its stakeholders.

(2) Personnel are prohibited from using their positions, or any material non-public information obtained during their work, to seek personal gain or benefits for others through any improper means. This includes the direct or indirect disclosure of such information to third parties for personal or external benefit, regardless of whether any compensation is received.

(3) All personnel are required to strictly adhere to the internal information usage guidelines prescribed by the Securities and Exchange Act and the Office of the SEC's practices regarding the management of price-sensitive confidential information, as well as any other relevant rules or laws.

In 2025, the Group's personnel refrained from trading the Company's securities until 24 hours had passed since the relevant information was officially disclosed to the public.

(4) External parties who may have access to or become aware of the Group's internal information must sign a Confidentiality Agreement (Non-Disclosure Agreement). This ensures that such parties exercise the same level of care in protecting confidentiality and internal information as the Group's own personnel.

The Company requires external parties who may have access to the Group's inside information to sign a Confidentiality Agreement (Non-Disclosure Agreement). These parties include, but are not limited to, contractual staff, business partners, consultants, and financial institutions.

8.1.4.3 Anti-Corruption

The Group has established an Anti-Corruption Policy to demonstrate its intent and unwavering commitment to opposing all forms of corruption and to promote transparent business operations. The Group's established practices are as follows:

Personnel of the Group must not engage in or be party to any form of corruption, including the offering or receiving of bribes, whether directly or indirectly. All personnel are duty-bound to comply with the Anti-Corruption Policy, the Corporate Governance Policy, and the Code of Business Conduct, as well as all other relevant regulations and requirements. If any actions are encountered that may violate this policy, personnel must notify their supervisor or the designated responsible person and cooperate fully in any subsequent fact-finding investigations. For any doubts or inquiries, personnel should consult their supervisor or the designated person through the specified communication channels.

(1) Gifts, Favors, Entertainment, and Benefits
(2) Charitable Donations and Sponsorships
(3) Political Activities and Contributions
(4) Business Relationships and Public Sector Procurement
(5) Procurement and Sales of Goods
(6) Human Resources Management
(7) Communications
(8) Internal Control

Anti-Corruption Operations for the Year 2025

- The Company has officially declared its intention to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC), demonstrating its unwavering commitment to transparent business operations and good corporate governance.
- For any received gifts with a value not exceeding 2,000 THB per person per occasion, such items were handed over to the Human Resources Department to be used as rewards for employees and/or donated to charity as deemed appropriate.
- All charitable donations and financial sponsorships underwent a rigorous verification and approval process in accordance with the Delegation of Authority (DOA), supported by clear and complete documentation.
- The Audit Committee reviewed and monitored the Company's strict adherence to the Anti-Corruption Policy in collaboration with external auditors and internal control auditors. Monitoring reports were regularly presented to the Board of Directors for acknowledgment.
- The Company conducted comprehensive Business Risk Assessments covering strategic, financial, operational, and compliance risks at the departmental, business unit, and corporate levels. These findings were used to establish anti-corruption guidelines. Furthermore, the Company communicates its corporate governance policies and practices to all employees starting from their New Employee Orientation, with annual refresher communications. To ensure effective implementation, the Company also mandates an annual assessment to test and evaluate employees' knowledge and understanding of these policies consistently.

8.1.4.4 Whistleblowing

The Group has established guidelines regarding complaint procedures and whistleblowing channels to receive complaints and/or suggestions from stakeholders affected by the Group's business operations or from any violations of laws, regulations, business ethics, or Group policies by its personnel. This includes measures for confidentiality and the protection of whistleblowers and related witnesses. These mechanisms serve as tools for the Company to monitor, rectify, and improve its operations for greater transparency and efficiency. Complainants may report grievances or whistleblow the misconduct and corruption through the following channels:

By Mail:	Addressed to the Superior, Human Resources Department, or Chairman of the Audit Committee. Smothong Group Public Company Limited No. 119/1 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani Province, 84170
By E-mail:	To Superior or Human Resources Department (E-mail: smgh.hr@smg-thai.com) or Chairman of the Audit Committee (E-mail: auditcommittee@smg-thai.com)
Website:	www.smothonggroup.com

8.2 Audit Committee Report

The Audit Committee of Smothong Group Public Company Limited consists of three independent directors who possess extensive expertise in accounting, finance, risk management, and business administration:

1.Mr.Tepakul Poonlarp	Audit Committee Member
2.Mr.Boonma Phonthanakornkul	Audit Committee Member
3.Mr.Artong Srihiran	Audit Committee Member

Ms. Thanamas Theparos serves as the Secretary to the Audit Committee. All members possess the full qualifications required by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee performed its duties independently to protect the Company's best interests, in accordance with the scope of authority assigned by the Board of Directors as specified in the Audit Committee Charter. This aligns with the SEC's best practices, focusing on reviewing financial reports, internal control systems, and related party transactions, which are vital to good corporate governance. In 2025, the Audit Committee held a total of 5 meetings, with all members attending every meeting to constitute a quorum.

The full 2025 Audit Committee Report is available for further study in Attachment 6.

8.3 Summary of Performance of Other Sub-committees

8.3.1 Risk Management Committee

The Risk Management Committee was appointed per the Board of Directors' Resolution No. 2/2023 on February 7, 2023. It comprises 2 independent directors and 4 directors and/or executives, with Mr.Surachai Chitratsenee serving as the Chairman of the Risk Management Committee. The Committee is responsible for establishing policies, frameworks, and risk management guidelines; reviewing and providing opinions on the Corporate Risk Register; appointing the Risk Management Working Group; and monitoring and evaluating risk management to ensure risks remain at appropriate and acceptable levels. In 2025, the Committee held 4 meetings, with key performance summaries as follows:

- Defined and established policies, frameworks, and guidelines for risk management, Business Continuity Management (BCM), and sustainable organizational development (ESG).
- Appointed the Risk Management Working Group to support risk management processes and activities in alignment with the Group's policy.
- Reviewed the Corporate Risk Register, which identifies existing and Emerging Risks, risk owners, Risk Appetite, risk assessment results, current control measures, and additional mitigation plans. This ensures the Company maintains adequate and appropriate risk management. The Risk Management Committee is responsible for reporting key corporate risk factors, including risk status, risk management plans, and the progress of additional mitigation strategies. This ensures that appropriate and adequate risk owners are assigned to manage risks comprehensively across all aspects, both in the short and long term. Furthermore, the Committee reports risk management results to the Board of Directors on a quarterly basis. In the event of significant factors or incidents that may materially impact the Company and/or its stakeholders, the Risk Management Committee shall report such matters to the Board of Directors for immediate acknowledgment and consideration.
- Conducted an annual review (at least once a year) of the Risk Management Committee Charter and related policies.

In 2025, the Secretary to the Risk Management Committee gathered the performance evaluation results for presentation to the Board of Directors. The evaluation results were rated as "Excellent," which the Committee has used as a guideline to further enhance operational efficiency, particularly in committee-as-a-whole performance. The summary scores are as follows:

Evaluation Method	Average Score (%)
1. Board-as-a-Whole Evaluation	91.90%
2. Individual Evaluation (Self-Assessment)	92.05%

8.3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee was appointed per the Board of Directors' Resolution No. 2/2023 on February 7, 2023. It consists of 2 independent directors and 1 director and/or executive, with Mr.Boonma Phonthanakornkul serving as the Chairman of the Nomination and Remuneration Committee. The Committee is responsible for establishing policies, criteria, and methods for nominating the Board of Directors, Sub-committees, and Senior Executives. It also determines necessary and appropriate monetary and non-monetary remuneration for these positions to propose to the relevant approving authorities. In 2025, the Committee held a total of 3 meetings, with key performance summaries as follows:

- Reviewed and defined the policies, criteria, and procedures for nominating the Board of Directors and Sub-committees, considering the appropriate composition, qualifications, duties, and responsibilities of each body.
- Identified and selected qualified candidates to replace directors retiring by rotation, proposing them to the Board of Directors for consideration before seeking appointment approval from the Shareholders' Meeting.
- Established policies and criteria for determining the remuneration of the Board of Directors, Sub-committees, the CEO, and Senior Executives in alignment with organizational objectives. The Committee proposed necessary and appropriate compensation—both monetary and non-monetary—based on duties, responsibilities, performance, and benchmarking against similar businesses and the expected benefits from directors.
- The non-executive members of the Committee evaluated the performance of the CEO and Senior Executives based on Strategic Key Performance Indicators (KPIs) and operational results.
- Monitored the implementation of the Succession Plan for the CEO and Senior Executives and reported progress to the Board of Directors.
- Conducted an annual review (at least once a year) of the Nomination and Remuneration Committee Charter and related policies.

In 2025, the Secretary to the Nomination and Remuneration Committee gathered the performance evaluation results for presentation to the Board of Directors. The evaluation results were rated as "Excellent," which the Committee has utilized as a guideline to further enhance operational efficiency, particularly regarding the board structure and qualifications. The summary scores are as follows:

Evaluation Method	Average Score (%)
1. Board-as-a-Whole Evaluation	94.74%
2. Individual Evaluation (Self-Assessment)	94.70%

8.3.3 Executive Committee

The Executive Committee was appointed per the Board of Directors' Resolution No. 2/2023 on February 7, 2023. It consists of 4 directors and/or executives, all of whom possess the knowledge, competence, skills, and experience beneficial to the Group's business operations, along with a profound understanding of the industry. In 2025, the Executive Committee held a total of 14 meetings, with key performance summaries as follows:

- Reviewed and screened business policies, strategies, short-term and long-term business plans, organizational structure, and annual budgets.
- Supervised and monitored the Group's operations to ensure alignment with the strategies, policies, objectives, operational plans, and annual budgets approved by the Board of Directors.
- Reviewed and acknowledged the Group's monthly, quarterly, and annual operating results and financial position, providing regular reports to the Board of Directors.
- Reviewed or approved transactions related to investments, acquisitions, and disposals of assets, as well as significant matters outside the ordinary course of business, and proposed them to the Board of Directors (as applicable).
- Supported risk management initiatives, corporate sustainability operations, and adherence to the principles of good internal control.
- Conducted an annual review (at least once a year) of the Executive Committee Charter and related policies.

In 2025, the Secretary to the Executive Committee gathered the performance evaluation results for presentation to the Board of Directors. The evaluation results were rated as "Excellent," which the Committee has utilized as a guideline to further enhance operational efficiency, particularly in committee-as-a-whole performance during meetings. The summary scores are as follows:

Evaluation Method	Average Score (%)
1. Board-as-a-Whole Evaluation	94.41%
2. Individual Evaluation (Self-Assessment)	94.32%

9.Internal Control and Related Party Transactions

9.1 Internal Control

9.1.1 Board of Directors' Opinions on the Internal Control System

The Board of Directors recognizes the significance of an effective internal control system and considers it a primary duty to ensure that the Company and its subsidiaries (the "Group") maintain appropriate and sufficient internal control systems. This is to ensure that business operations achieve organizational goals and objectives while complying efficiently with relevant laws, regulations, and requirements. Such systems are designed to safeguard the Group's assets from misuse or unauthorized use, and to support the preparation of accurate, complete, and reliable financial reports in accordance with relevant rules, standards, and practices. This also includes ensuring the complete, adequate, and timely disclosure of information.

The Board of Directors' Meeting No. 2/2026, held on February 26, 2026, was attended by 9 directors, including 4 independent directors (3 of whom serve on the Audit Committee). The Board assessed the adequacy of the Group's internal control system, which had been reviewed by the Audit Committee, using the Internal Control Adequacy Assessment Form prescribed by the Office of the Securities and Exchange Commission (SEC). This assessment was based on the internal audit reports (at both organization and activity levels) prepared by the internal auditors for the fiscal year 2025.

The Board of Directors is of the opinion that the Group's internal control system is adequate and appropriate across all five components, in accordance with the framework of The Committee of Sponsoring Organizations of the Treadway Commission (COSO), as follows:

(1) Control Environment
(2) Risk Assessment
(3) Control Activities
(4) Information and Communication
(5) Monitoring Activities

The Group has allocated personnel to effectively implement the internal control system and has established monitoring and control mechanisms. These mechanisms adequately cover the safeguarding of the Group's assets against misuse or unauthorized use, as well as the management of transactions with persons who may have conflicts of interest and related parties. (The full details of the Internal Control Adequacy Assessment Form are available on the Company's website.)

9.1.2 Audit Committee's Opinion on the Internal Auditor

The Audit Committee's Meeting No. 4/2024, held on November 13, 2024, reviewed the qualifications of DIA Audit Co., Ltd. ("DIA"), an outsourced service provider, and Mrs. Vilairat Rojnuckarin, the primary person assigned by DIA to be responsible for the internal audit functions of the Group. Upon reviewing the company profile and Mrs. Vilairat Rojnuckarin 's professional background, the Audit Committee expressed the opinion that the internal auditor possesses the appropriate and sufficient educational background, experience, and training to perform the Group's internal audit duties. Furthermore, the internal auditor maintains independence in auditing and assessing the adequacy of the internal control system.

In this regard, the Audit Committee is authorized to evaluate the internal auditor's performance and provide opinions on the appointment, removal, transfer, and dismissal of persons performing the Group's internal audit functions. (Details are provided in Attachment 3: Details of the Head of Internal Audit and the Head of Compliance).

9.1.3 Internal Auditor's Opinion on the Internal Control System

The Company has appointed DIA Audit Co., Ltd. ("DIA") to audit the Group's internal control system and provide recommendations to ensure compliance with sound internal control principles and the SEC's Internal Control Adequacy Assessment Form. The objectives of DIA's audit are to control and evaluate accounting, finance, and asset safeguarding measures. Additionally, DIA provides consultancy to personnel at all levels to ensure effective performance and the establishment of an appropriate and efficient internal control system, resulting in reliable financial reporting. The internal auditor reports audit findings to the management for acknowledgment and corrective action based on recommendations, ensuring the system remains adequate and consistently implemented. These findings, along with suggestions for improvement, are subsequently presented to the Audit Committee.

For the fiscal year 2025, the internal auditor developed a draft Annual Internal Audit Plan based on a Risk-Based Methodology. This plan was reviewed by the management before being proposed to the Audit Committee for approval. During the Audit Committee's Meeting No. 4/2024, held on November 13, 2024, the Committee approved the 2025 Annual Internal Audit Plan. The matter was later acknowledged by the Board of Directors at the Board's Meeting No. 11/2024 on November 14, 2024. Details are as follows:

Table 9.1.3.1: 2025 Annual Internal Audit Plan

Audit Period	Quarter 1/2025 March 10 - 21, 2025			Quarter 2/2025 June 16 - 27 and July 1, 2025			Quarter 3/2025 September 15 - 26 and October 2, 2025			Quarter 4/2025 November 17 - 28, 2025		
Audit Scope / Systems	SMO	MGP	AL	SMO	MGP	AL	SMO	MGP	AL	SMO	MGP	AL
1. Corporate-Level Internal Control System	/	/	/	/	/	/	/	/	/	/	/	/
2. Borrowing and Loan Management System										/	/	/
3. Outsourced Services and Project Contracting System							/	/	/			
4. Fixed Assets Management System							/	/	/			
5. Raw Material Procurement System	/	/	/									
6. Domestic and Overseas General Purchasing System							/	/	/			
7. Human Resources Management and Payroll System	/	/	/									
8. Payment Process (Cheque / Fund Transfer) System										/	/	/
9. Advance Payment and Petty Cash System	/	/	/									
10. Production System				/	/	/						
11. Sales, Accounts Receivable, and Collection System				/	/	/						
12. Financial Closing Process System										/	/	/
13. Taxation System							/	/	/			
14. Administrative and Legal Affairs System				/	/	/						
15. Information Technology (IT) System				/	/	/				/	/	/
16. Follow-up on Prior Audit Findings	/	/	/	/	/	/	/	/	/	/	/	/

For the fiscal year 2025, DIA Audit Co., Ltd. conducted internal control audits across all systems (at both entity and activity levels) for Smothong Group Public Company Limited (SMO), Mitprasong Green Power Co., Ltd. (MGP), and AL Palm Co., Ltd. (AL). The audits were divided into four cycles in accordance with the annual audit plan. The internal audit results for Quarter 1, Quarter 2, and Quarter 3 of 2025 revealed no significant findings or observations. For Quarter 4 of 2025, the audit identified a total of 6 observations, all of which were classified as Low Risk, with SMO having 3 items (all Low Risk), MGP having 1 item (Low Risk), and AL having 2 items (both Low Risk). The details are as follows:

Table 9.1.3.2: Internal Audit Report for the Fiscal Year 2025

Audit Period	Quarter 1/2025 March 10 – 21			Quarter 2/2025 June 16 – 27 and July 1			Quarter 3/2025 September 15 – 26 and October 2			Quarter 4/2025 November 17 – 28		
Internal Audit Report Date	April 25, 2025			July 11, 2025			October 24, 2025			November 28, 2025		
Date Reported to the Audit Committee (AC)	AC Meeting No. 1/2025 (Post-conversion) May 13, 2025			AC Meeting No. 3/2025 (Post-conversion) August 13, 2025			AC Meeting No. 4/2025 (Post-conversion) November 12, 2025			AC Meeting No. 1/2026 February 26, 2026		
Date Reported to the Board of Directors (BOD)	BOD Meeting No. 1/2025 (Post-conversion) May 14, 2025			BOD Meeting No. 4/2025 (Post-conversion) August 13, 2025			BOD Meeting No. 6/2025 (Post-conversion) November 12, 2025			BOD Meeting No. 2/2026 February 26, 2026		
Audit Scope / Systems	SMO	MGP	AL	SMO	MGP	AL	SMO	MGP	AL	SMO	MGP	AL
1. Corporate-Level Internal Control System	-	-	-	-	-	-	-	-	-	-	-	-
2. Borrowing and Loan Management System										1 (Low)	-	-
3. Outsourced Services and Project Contracting System							-	-	-			
4. Fixed Assets Management System							-	-	-			
5. Raw Material Procurement System	-	-	-									
6. Domestic and Overseas General Purchasing System							-	-	-			
7. Human Resources Management and Payroll System	-	-	-									
8. Payment Process (Cheque / Fund Transfer) System										1 (Low)	-	-
9. Advance Payment and Petty Cash System	-	-	-									
10. Production System				-	-	-						
11. Sales, Accounts Receivable, and Collection System				-	-	-						
12. Financial Closing Process System										-	-	-
13. Taxation System							-	-	-			
14. Administrative and Legal Affairs System				-	-	-						
15. Information Technology (IT) System				-	-	-				1 (Low)	1 (Low)	2 (Low)
16. Follow-up on Prior Audit Findings	-	-	-	-	-	-	-	-	-	-	-	-

Note: - indicates that the audit found no observations. The text within the parentheses refers to the Risk Level.

9.1.4 Auditor's Observations on the Company's Accounting System and Significant Internal Control Systems

EY Office Limited (EY), the auditor for the Company and its subsidiaries and an auditor approved by the Office of the Securities and Exchange Commission (SEC), has audited the effectiveness of the internal accounting control systems of the Company and its subsidiaries. This was conducted to determine a concise and appropriate scope for the audit procedures.

Based on the audit of the financial statements and the review of the General Information Technology Controls (ITGC) related to accounting processing, which covered the MAC5 system and the I-Palm Plus system of the Company and its subsidiaries for the year 2025, ending December 31, 2025. EY had no observations or recommendations.

9.2 Related Party Transactions

9.2.1 Details of Related Persons with Related Party Transactions

Details of related persons who had related party transactions with the Company for the fiscal years ended December 31, 2024, and 2025, are as follows:

Related Person / Legal Entity	Nature of Business	Nature of Relationship
1.Mr. Seksak Piriyetyanggoon	-	• Director / Executive / Authorized Director • A shareholder of the Company with a 3.24% stake. When combined with related persons, the total shareholding proportion is 19.00%. • Director of the following subsidiaries: (1) Mitprasong Green Power Co., Ltd. (2) Team Evolution Co., Ltd. (3) AL Palm Co., Ltd.
2.Mr. Kittipong Puangmala	-	• Director / Executive / Authorized Director • A shareholder of the Company with a 8.31% stake. When combined with related persons, the total shareholding proportion is 20.72%. • Director of the following subsidiaries: (1) Mitprasong Green Power Co., Ltd. (2) Team Evolution Co., Ltd. (3) AL Palm Co., Ltd.
3.Mr. Kusol Sripaoraya	-	• Director / Executive / Authorized Director • A shareholder of the Company with a 0.54% stake. When combined with related persons, the total shareholding proportion is 0.85%. • Director of the following subsidiaries: (1) Mitprasong Green Power Co., Ltd. (2) Team Evolution Co., Ltd. (3) AL Palm Co., Ltd.
4.Mr. Johson Lim	-	• Director / Executive / Authorized Director • A shareholder of the Company with a 5.90% stake. When combined with related persons, the total shareholding proportion is 18.19%. • Director of the following subsidiaries: (1) Mitprasong Green Power Co., Ltd. (2) Team Evolution Co., Ltd. (3) AL Palm Co., Ltd.
5.Master Harit Piriyetyanggoon	-	• Son of Mr. Seksak Piriyetyanggoon • Major shareholder of the Company with a 10.48% stake

Related Person / Legal Entity	Nature of Business	Nature of Relationship
6.Miss Nalinyaphat Piriyetyanggoon	-	• Son of Mr. Seksak Piriyetyanggoon • Major shareholder of the Company with a 10.48% stake
7.Mrs. Chuenrudee Phiriyesyangkoon	-	• Mother of Mr. Seksak Piriyetyanggoon • Shareholder of the Company with a 0.11% stake
8.Mr. Chakkra Phiriyesyangkun	-	• Younger brother of Mr. Seksak Piriyetyanggoon • Shareholder of the Company with a 0.90% stake
9.Miss Khanamporn Piriyesyangkoon	-	• Older sister of Mr. Seksak Piriyetyanggoon • Shareholder of the Company with a 0.16% stake
10.Miss Kotchanon Nintajan	-	• Former spouse of Mr. Seksak Piriyetyanggoon • Shareholder of the Company with a 1.32% stake
11. MIT LOGISTICS COMPANY LIMITED	Engaged in transportation services	• A legal entity with a common director, Mr. Seksak Piriyetyanggoon • A legal entity whose controlling persons and major shareholders are Mr. Seksak Piriyesyankul, his former spouse, and his children, with a combined shareholding of 100.00%.
12. RUNG NAKORN LOGISTICS CO., LTD.	Engaged in transportation services	• A legal entity with a common director, Mr. Seksak Piriyetyanggoon • A legal entity whose controlling persons and major shareholders are Mr. Seksak Piriyesyankul and his former spouse, with a combined shareholding of 80.49%.
13. THANAPOOM CONCRETE COMPANY LIMITED	Production and distribution of ready-mixed concrete	• A legal entity with a common director, Mr. Seksak Piriyetyanggoon • A legal entity whose major shareholders are Mr. Seksak Piriyesyankul, his former spouse, his children, and his younger brother, with a combined shareholding of 34.50%.
14. KRABI S & K ENGINEERING COMPANY LIMITED	Repair and maintenance of industrial and agricultural machinery and equipment	• A legal entity whose controlling person and major shareholder is Mr. Sawai Puangmala (a major shareholder of SMO), with a shareholding of 99.90%.

9.2.2 Details of Related Party Transactions

The related party transactions between the Company and related persons occurring during the fiscal years ended December 31, 2024, and 2025, are detailed as follows:

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
1. Mr. Seksak Piriyetyanggoon	Land Rental Expenses	0.01	0.01	The Company entered into a land lease agreement with Mr. Seksak Piriyesyankul for the construction of employee housing for the Tha Chana Branch factory. The leased area consists of 3 Ngan and 0 Square Wah, located in Prasong Sub-district, Tha Chana District, Surat Thani Province (adjacent to the Tha Chana Branch factory area). The lease term is for 15 years, effective from November 15, 2023, to November 14, 2038. The rental rate is set at 0.01 million Baht per year, with a 5% increase every 3 years. This rental rate is based on the appraisal report by an independent valuer approved by the SEC, which appraised the market rental rate at 0.01 million Baht per year with a 5% increase every 3 years. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a lease of assets for use as employee housing for the Tha Chana Branch factory. Since the land is adjacent to the factory area, the transaction is reasonable and beneficial to the Company. Furthermore, the rental rate is based on the appraisal report of an independent valuer approved by the SEC.
1. Mr. Seksak Piriyetyanggoon	Sales of Oil palm seedlings	0.02	-	The Company sold oil palm seedlings to Mr. Seksak Piriyesyankul. This transaction is considered a normal business transaction conducted with prices and conditions based on normal commercial terms, which are comparable to transactions entered into with third parties. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business transaction. The sales were conducted at prices and under conditions that follow normal commercial terms and are comparable to transactions with third parties.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
1. Mr. Seksak Piriyetyanggoon	Guarantees for credit facilities with financial institutions	Credit facility of 4,264.74 million Baht and a USD facility of approximately 405.96 million Baht (equivalent to USD 12.00 million).	Credit facility of 4,596.62 million Baht and a USD facility of approximately 534.17 million Baht (equivalent to USD 17.00 million).	Mr. Seksak Piriyetyanggoon provided personal guarantees for the credit facilities granted by financial institutions to the Group without charging any guarantee fees. Furthermore, Mr. Seksak Piriyetyanggoon has executed a letter of consent to provide such guarantees to the Group on a non-remunerated basis. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a form of financial assistance, which is reasonable and in accordance with the terms and conditions specified in the loan agreements with financial institutions. The Company does not pay any compensation or fees for such guarantees.
2. Mr. Kittipong Puangmala	Guarantees for credit facilities with financial institutions	Credit facility of 4,648.17 million Baht and a USD facility of approximately 405.96 million Baht (equivalent to USD 12.00 million).	Credit facility of 4,980.05 million Baht and a USD facility of approximately 534.17 million Baht (equivalent to USD 17.00 million).	Mr. Kittipong Puangmala provided personal guarantees for the credit facilities granted by financial institutions to the Group without charging any guarantee fees. Furthermore, Mr. Kittipong Puangmala has executed a letter of consent to provide such guarantees to the Group on a non-remunerated basis. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a form of financial assistance, which is reasonable and in accordance with the terms and conditions specified in the loan agreements with financial institutions. The Company does not pay any compensation or fees for such guarantees.

Note: The exchange rate for US Dollar (USD) is based on the Bank of Thailand's rate as of December 30, 2025, at THB 31.4215 per 1 USD.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
3. Mr. Kusol Sripaoraya	Guarantees for credit facilities with financial institutions	Credit facility of 87.15 million Baht	Credit facility of 36.56 million Baht	Mr. Kusol Sripaoraya provided personal guarantees for the credit facilities granted by financial institutions to the Group without charging any guarantee fees. Furthermore, Mr. Kusol Sripaoraya has executed a letter of consent to provide such guarantees to the Group on a non-remunerated basis. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a form of financial assistance, which is reasonable and in accordance with the terms and conditions specified in the loan agreements with financial institutions. The Company does not pay any compensation or fees for such guarantees.
4. Mr. Johson Lim	Guarantees for credit facilities with financial institutions	Credit facility of 3,946.74 million Baht and a USD facility of approximately 67.66 million Baht (equivalent to USD 2.00 million).	Credit facility of 4,278.62 million Baht and a USD facility of approximately 219.95 million Baht (equivalent to USD 7.00 million).	Mr. Johson Lim provided personal guarantees for the credit facilities granted by financial institutions to the Group without charging any guarantee fees. Furthermore, Mr. Johson Lim has executed a letter of consent to provide such guarantees to the Group on a non-remunerated basis. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a form of financial assistance, which is reasonable and in accordance with the terms and conditions specified in the loan agreements with financial institutions. The Company does not pay any compensation or fees for such guarantees.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
5. Master Harit Piriyetyanggoon	Land Rental Expenses	1.00	1.00	The Company entered into a land lease agreement with Master Harit Piriyetyanggoon (represented by Miss Pajaree Im-udom, legal guardian). The purpose of the lease is to utilize the land for treated water storage from the crude palm oil production process of the Tha Chana Branch factory. A portion of this land is subleased to Mitprasong Green Power Co., Ltd. (a subsidiary) for the construction of biogas digester ponds. The lease covers 3 plots of land with a total area of 80 Rai, 3 Ngan, and 80 Square Wah (adjacent to the Tha Chana Branch factory). The initial lease term was from January 4, 2023, to January 4, 2026 (3 years) at a rental rate of 1.00 million Baht per year. However, on October 31, 2025, the original agreement was terminated, and a new agreement was executed, effective from November 1, 2025, to August 31, 2045 (a term of 19 years and 10 months). Under the new agreement, the rental rate for years 1-3 is 1.10 million Baht per year, with a 5% increase every 3 years. This rate is based on the appraisal report by an independent valuer approved by the SEC. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a lease of assets for the business operations of the Tha Chana Branch factory. The transaction is reasonable and beneficial to the Company, and the rental rate is based on the appraisal report of an independent valuer approved by the SEC.

Note: The exchange rate for US Dollar (USD) is based on the Bank of Thailand's rate as of December 30, 2025, at THB 31.4215 per 1 USD.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
6. Miss Nalinyaphat Piriyetyanggoon	Asset Lease Agreement	0.45	0.45	The Company entered into an asset lease agreement with Miss Nalinyaphat Piriyetyanggoon (represented by Mr. Seksak Piriyetyanggoon and Miss Patsanan Rongpakdee, legal guardians). The purpose of the lease is to establish a fresh palm fruit purchasing point for the Group. The leased assets include approximately 2 Rai of land, buildings and improvements thereon, and a truck scale. The lease term is for 3 years, effective from January 1, 2023, to January 1, 2026, at a rental rate of 0.45 million Baht per year. This rental rate is based on the appraisal report by an independent valuer approved by the SEC, which appraised the market rental rate at 0.45 million Baht per year. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a lease of assets to be used as a fresh palm fruit purchasing point for the Group. The transaction is reasonable and beneficial to the Company, and the rental rate is based on the appraisal report of an independent valuer approved by the SEC.
7. Mrs. Chuenrudee Phiriyesyangkoon	Purchase of Fresh Fruit Bunches	0.85	0.45	The Group purchased fresh fruit bunches from Mrs. Chuenrudee Phiriyesyangkoon to be used as raw material for crude palm oil production. This is considered a normal business transaction, with prices and conditions identical to those offered to other trading partners. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business transaction, conducted with prices and conditions that are the same as the purchases from other third-party suppliers.
7. Mrs. Chuenrudee Phiriyesyangkoon	Palm Fruit Loading Service Fees	0.16	0.23	The Company entered into a service agreement for loading fresh palm fruit at the purchasing points onto trucks for transport to the Group's branch factories. This transaction is considered a normal business support transaction, conducted with prices and conditions identical to those of other service providers. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business support transaction, with prices and conditions consistent with those of other contractors.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
7. Mrs. Chuenrudee Phiriyesyangkoon	Asset Rental Expenses	0.27	0.23	The Company entered into an asset lease agreement with Mrs. Chuenrudee Phiriyesyangkoon to use as a fresh fruit bunches purchasing point for the Group. The leased assets consist of approximately 2 Rai of land, buildings and improvements thereon, and a truck scale. The lease term is for 3 years, effective from January 1, 2023, to January 1, 2026, at a rental rate of 0.27 million Baht per year. This rental rate is based on the appraisal report by an independent valuer approved by the SEC, which appraised the market rental rate at 0.27 million Baht per year. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this transaction is a lease of assets to be used as a fresh fruit bunches purchasing point for the Group. The transaction is reasonable and beneficial to the Company, and the rental rate is based on the appraisal report of an independent valuer approved by the SEC.
8. Mr. Chakkra Phiriyesyangkun	Purchase of Fresh Fruit Bunches	3.36	4.57	The Group purchased fresh fruit bunches from Mr. Chakkra Phiriyesyangkun to be used as raw material for crude palm oil production. This is considered a normal business transaction, with prices and conditions identical to those offered to other trading partners. **Audit Committee's Opinion:** The Audit Committee's Meeting No. 1/2025, held on February 27, 2025, has considered and expressed the opinion that this is a normal business transaction, conducted with prices and conditions that are the same as the purchases from other third-party suppliers.
9. Miss Khanamporn Piriyesyangkoon	Purchase of Fresh Fruit Bunches	0.41	0.05	The Group purchased fresh fruit bunches from Miss Khanamporn Piriyesyangkoon for use as raw material in the production of crude palm oil. This transaction is considered a normal business transaction, with pricing and conditions identical to those offered to other trading partners. **Audit Committee's Opinion:** The Audit Committee's Meeting No. 1/2025, held on February 27, 2025, has considered and expressed the opinion that this is a normal business transaction, conducted with prices and conditions that are the same as the purchases from other third-party suppliers.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
10. Miss Kotchanon Nintajan	Backhoe Rental	0.30	-	The Group engaged Miss Kotchanon Nintajan for backhoe services to reinforce embankments and perform land preparation within the Group's premises. This transaction is categorized as a normal business support transaction, with pricing and conditions identical to those offered by other service providers. **Audit Committee's Opinion:** The Audit Committee has considered and expressed the opinion that this is a normal business support transaction, conducted with prices and conditions consistent with those of other contractors.
10. Miss Kotchanon Nintajan	Transportation Expenses	4,000.00 (baht)	-	The Group engaged Miss Kotchanon Nintajan for transportation services to move small structures from the Tha Chana Branch factory to the AL factory. This transaction is categorized as a normal business support transaction, with pricing and conditions identical to those offered by other service providers. **Audit Committee's Opinion:** The Audit Committee has considered and expressed the opinion that this is a normal business support transaction, conducted with prices and conditions consistent with those of other contractors.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
11. MIT LOGISTICS COMPANY LIMITED	Fresh Fruit Bunches Transportation Expenses	7.73	11.23	The Group entered into a transportation service agreement with Mit Logistics Co., Ltd. to transport fresh palm fruit from various purchasing points to the Group's branch factories, supplementing the Group's own fleet of trucks. From January to December 2025, the proportion of internal truck usage was 41%, while external service providers accounted for 59%. The service fees are calculated based on distance, referencing the "Study Report on Oil Palm Transportation Rate Analysis and Optimal Transportation Models" conducted by experts from the Center of Excellence in Logistics and Business Analytics, Walailak University. These rates are identical to those offered to other contractors. This transaction is considered a normal business support transaction, with prices and conditions consistent with other third-party service providers. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business support transaction, conducted with prices and conditions identical to those of other contractors. Furthermore, the transaction is necessary and reasonable, having undergone a procurement process in strict accordance with the Company's operating manual.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
12. RUNG NAKORN LOGISTICS CO., LTD.	Fresh Fruit Bunches Transportation Expenses	1.53	1.79	The Group entered into a transportation service agreement with Rungnakhon Logistics Co., Ltd. to transport fresh palm fruit from various purchasing points to the Group's branch factories, supplementing the Group's own truck fleet. From January to December 2025, the proportion of internal truck usage was 41%, while external service providers accounted for 59%. The service fees are calculated based on distance, referencing the "Study Report on Oil Palm Transportation Rate Analysis and Optimal Transportation Models" conducted by experts from the Center of Excellence in Logistics and Business Analytics, Walailak University. These rates are identical to those offered to other contractors. This transaction is considered a normal business support transaction, with prices and conditions consistent with other third-party service providers. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business support transaction, conducted with prices and conditions identical to those of other contractors. Furthermore, the transaction is necessary and reasonable, having undergone a procurement process in strict accordance with the Company's operating manual.
13. THANAPOOM CONCRETE COMPANY LIMITED	Purchase of Ready-Mixed Concrete	0.30	0.17	The Group purchased ready-mixed concrete from Thanaphoom Concrete Co., Ltd. for the renovation of factory buildings and the Group's external purchasing points (collection points). This transaction is categorized as a normal business support transaction. The Group conducted the procurement in accordance with its standard purchasing process, which included comparing prices and conditions with other suppliers before proceeding with the transaction. **Audit Committee's Opinion:** ที่The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business support transaction. The procurement was carried out following the standard purchasing process, with a thorough comparison of terms and prices against other suppliers before the decision was made.

Related Person	Nature of Transaction	Transaction Value (Million Baht)		Necessity and Reasonableness of the Transaction and the Audit Committee's Opinion
		Fiscal Year 2024 Ended Dec 31, 2024	Fiscal Year 2025 Ended Dec 31, 2025	
14. KRABI S & K ENGINEERING COMPANY LIMITED	Machinery Installation and Repair Services	99.94	48.43	The Group engaged Krabi S&K Engineering Co., Ltd. for the installation and repair of machinery used in its crude palm oil production plants to expand or improve production processes. This transaction is categorized as a normal business support transaction. The Group conducted the procurement and contracting process in accordance with its standard procedures, which included comparing terms and prices with other vendors before proceeding. Furthermore, the Audit Committee found that Krabi S&K Engineering Co., Ltd. possesses long-standing expertise in machinery related to crude palm oil production. When compared with other contractors, their prices and conditions were found to be in the best interest of the Group. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business support transaction. The procurement and contracting were carried out following the standard procedures, with a thorough comparison of terms and prices against other providers before the decision was made.
14. KRABI S & K ENGINEERING COMPANY LIMITED	Truck-Mounted Crane (Hiab) Service Fees	0.06	-	The Group engaged Krabi S&K Engineering Co., Ltd. for truck-mounted crane (Hiab) services to transport crude palm oil loading equipment to the Phuket Deep Sea Port. This transaction is categorized as a normal business support transaction. The Group conducted the contracting process in accordance with its standard procedures, which included comparing terms and prices with other service providers before proceeding with the transaction. **Audit Committee's Opinion:** The Audit Committee's Meeting has considered and expressed the opinion that this is a normal business support transaction. The contracting was carried out following the standard procedures, with a thorough comparison of terms and prices against other providers before the decision was made.

9.2.3 Policy on Related Party Transactions

According to the resolution of the Board of Directors' Meeting No. 1/2025 (the first meeting following the conversion into a public company) held on March 28, 2025, the Board approved the policy for entering into related party transactions. In conducting such transactions, the Company and its subsidiaries must strictly comply with the regulations and criteria prescribed by the Stock Exchange of Thailand (SET), the Capital Market Supervisory Board, and the Office of the Securities and Exchange Commission (SEC). Consequently, the Company and its subsidiaries have established the following criteria and procedures for related party transactions:

1) The initiating department must determine whether a transaction constitutes a related party transaction by verifying information against the "Related Persons Database" and reviewing such data with the Company Secretary.
2) If identified as a related party transaction, the department must evaluate the rationale, necessity, and justification for entering into said transaction.
3) If the transaction is deemed necessary and is categorized as a normal business transaction or a business support transaction with general commercial terms, where the compensation can be calculated based on assets or reference values, it shall be proposed for approval in accordance with the Company's Delegation of Authority (DOA). Such transactions must involve a comparison of product or service prices against general commercial terms, ensuring that the pricing and conditions are fair and in the best interest of the Company.
4) In cases where the transaction is a normal business or business support transaction but compensation cannot be determined from assets or reference values, or for transactions that are not normal business/business support or contain terms differing from general commercial conditions, the initiating department must submit the transaction details, along with the supporting rationale and necessity, to the Company Secretary to proceed with the formal approval process and criteria.
    4.1) In cases where no reference price is available, the Company will compare the prices of goods or services with external market prices under identical or similar conditions to ensure that the pricing and terms are fair and in the best interest of the Company.
    4.2) The Company may utilize reports from appointed independent valuers to compare prices for significant related party transactions, ensuring that such prices are reasonable and serve the Company's best interests.
    4.3) The Audit Committee shall review and provide an opinion on the transaction before proposing it to the Board of Directors for approval, or providing an opinion to be further proposed for shareholder approval, as the case may be.
    4.4) When shareholder approval is required, an Independent Financial Advisor (IFA) must be appointed to provide an opinion on the transaction. The IFA shall express opinions on various aspects, such as the reasonableness and benefits of the transaction to the Company, the fairness of the price and conditions, and associated risks.
5) Once a related party transaction has been approved or disapproved by the authorized person/body, the Company Secretary shall notify the initiating department, the Accounting Department, and other relevant parties.
6) The Company shall disclose related party transactions in accordance with the regulations of the Stock Exchange of Thailand (SET).
7) The Company Secretary and the Accounting Manager shall jointly prepare a checklist to ensure the completeness of related party transaction disclosures in the notes to the financial statements, in compliance with Accounting Standards.
8) The Internal Audit Department and/or Internal Auditors shall audit related party transactions according to the audit plan and report to the Audit Committee to review the reasonableness of such transactions every quarter.
9) The Company shall disclose related party transactions in accordance with the regulations prescribed by the Office of the Securities and Exchange Commission (SEC), including disclosure in the Annual Registration Statement / Annual Report (Form 56-1 One Report) or other reporting forms, as applicable.

9.2.4 Policy or Trend for Future Related Party Transactions

According to the resolution of the Board of Directors' Meeting No. 1/2025 (the first meeting following the conversion into a public company) held on March 28, 2025, the Board approved the principles regarding commercial agreements with general commercial terms for transactions between the Company and its subsidiaries and directors, executives, or related persons, which may lead to related party transactions in the future.

The Group may enter into related party transactions with persons who may have a conflict of interest in the future. For normal business transactions and normal business support transactions that are expected to occur continuously, the Company requires that such transactions be conducted under general commercial terms and at market prices comparable to those offered to third parties. These transactions must adhere to the principles approved by the Board of Directors and comply with the regulations of the SET, the Capital Market Supervisory Board, and the SEC, as well as adhere strictly to the terms of the mutual agreements.

For normal business and normal business support transactions that do not follow general commercial terms, the Company will proceed in accordance with the criteria and procedures for related party transactions mentioned above, as well as the regulations of the SET, the Capital Market Supervisory Board, and the SEC, before entering into such transactions.

The following is a summary of related party transactions that are likely to continue in the future:

(1) The Company leases land from Mr. Seksak Piriyetyanggoon, a major shareholder, director, and executive, for use as a staff dormitory area for the Tha Chana Branch factory. The lease term is 15 years, with rental rates based on the appraisal report of an independent valuer approved by the SEC. The terms and conditions are consistent with normal business practices.

(2) The Company leases land from Master Harit Piriyetyanggoon, a major shareholder, for use as wastewater treatment ponds for the crude palm oil production process at the Tha Chana Branch factory. A portion of this land is subleased to Mitprasong Green Power Co., Ltd. (a subsidiary) for the construction of biogas digester ponds. The lease term is from November 1, 2025, to August 31, 2045 (totaling 19 years and 10 months). The rental rate is based on the appraisal report of an independent valuer approved by the SEC and follows normal business conditions.

(3) These include transactions such as the purchase and sale of raw materials, fresh fruit bunches, transportation services, and machinery installation contracts for the factory. The Company anticipates that such transactions may occur in the future with persons who may have a conflict of interest. In all cases, the prices and conditions will be based on normal commercial terms and remain comparable to transactions entered into with third parties.

The Company strictly adheres to the Securities and Exchange Act, regulations, notifications, orders, and requirements of the Capital Market Supervisory Board, the SEC, and the SET. Furthermore, entering into such transactions must not involve any siphoning or transfer of benefits from the Company or its shareholders. The Company shall prioritize the best interests of the Company and all shareholders above all else.

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SMOTHONG GROUP PUBLIC COMPANY LIMITED

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Financial Statements

Annual Report 2025 (Form 56-1 One Report)

Report of the Board of Directors' Responsibilities for the Financial Report

The Board of Directors of Smothong Group Public Company Limited is responsible for the consolidated financial statements of the Company and its subsidiaries, as well as the financial information presented in the Annual Report. These financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles (Thai GAAP). The Board ensures that appropriate accounting policies are selected and applied consistently, that reasonable judgment and estimates are utilized, and that all significant information is adequately disclosed in the notes to the financial statements.

The Board of Directors has established and maintained effective internal control and risk management systems. This includes preventing potential conflicts of interest by assigning the Audit Committee, comprising independent directors, to oversee these matters and to report regularly to the Board. The Committee's opinions on these issues are presented in the Audit Committee Report within the Form 56-1 One Report.

The Board of Directors believes that the Company's internal control system is adequate and appropriate, providing reasonable assurance that the financial statements accurately and completely reflect the Company's financial position and operating results in all material respects.

Mr.Surachai Chitratsenee
Chairman of the Board

Mr.Kittipong Puangmala
Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Smothong Group Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Smothong Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Smothong Group Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Smothong Group Public Company Limited and its subsidiaries and of Smothong Public Group Company Limited as at 31 December 2025, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition from sales of goods

Revenue from sales of goods is significant to the financial statements and has a direct impact on the Group's performance. In addition, the Group's sale transactions have a large number of domestic and overseas customers under a variety of commercial terms. As a result, revenue from sales of goods is a significant account. I therefore direct my audit attention to the revenue recognition from sales of goods of the Group.

I gained an understanding of the Group's significant internal controls relating to the revenue cycle, performed tests of controls designed by the Group, examined supporting documents on a sampling basis for actual sale transactions occurring during the year and near the end of the accounting period, reviewed credit notes issued by the Group after the period-end and performed analytical procedures on revenue account. I also reviewed reconciliation of sales to cash receipts to detect possible irregularities in sale transactions throughout the period, particularly accounting entries made through journal vouchers.

Valuation of property, plant and equipment

The Group's property, plant and equipment represent a significant net carrying amount in the financial statements. The assessment of impairment of property, plant and equipment is a significant accounting estimate that requires management to exercise significant judgement in estimating future cash flows expected to be derived from this group of assets, as well as in determining the appropriate discount rate and the long-term growth rate. I, therefore, focused my audit on the valuation of property, plant and equipment.

I evaluated the identification of the cash-generating unit and gained an understanding of, and tested, the key assumptions used by management in estimating future cash flows expected to be generated from this group of assets, including the discount rate and long-term growth rate applied. I also made inquiries of responsible persons and performed analytical procedures by comparing these assumptions with various data sources of the Group and the industry. Additionally, I compared historical cash flow projections by management with actual operating results to assess management's exercise of judgement in estimating future cash flows. Furthermore, I performed sensitivity analysis on key assumptions to evaluate their impact on the recoverable amount of these assets.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Sutthirak Fakon
Certified Public Accountant (Thailand) No. 7712

EY Office Limited
Bangkok: 26 February 2026

Smothong Group Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2025

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Assets					
Current assets					
Cash and cash equivalents	7	722,944,949	347,350,446	685,008,627	322,504,488
Trade and other current receivables	8	117,029,557	146,083,651	102,785,178	143,987,366
Short-term loans to related parties	6	-	-	182,600,000	119,600,000
Current portion of long-term loans to related party	6	-	-	81,432,000	47,502,000
Inventories	9	801,895,021	456,829,954	399,183,354	304,290,571
Other current assets		14,460,524	11,301,545	10,151,905	9,823,281
Total current assets		1,656,330,051	961,565,596	1,461,161,064	947,707,706
Non-current assets					
Restricted bank deposits		118,700,000	110,200,000	109,000,000	110,000,000
Long-term loans to related party					
- net of current portion	6	-	-	441,066,000	372,498,000
Investments in subsidiaries	10	-	-	423,005,538	293,005,538
Investment properties	11	158,995,881	149,495,881	82,956,465	73,456,465
Property, plant and equipment	12	2,179,491,220	1,929,053,334	1,407,942,451	1,202,340,888
Goodwill	13	100,131,485	100,131,485	-	-
Intangible assets	14	103,801,628	117,344,171	859,025	1,265,086
Rights-of-use assets	20	146,194,134	129,857,451	126,227,698	118,989,180
Deferred tax assets	26	46,962,139	9,706,100	4,936,473	2,255,152
Other non-current assets		2,285,189	2,005,388	259,500	423,500
Total non-current assets		2,856,561,676	2,547,793,810	2,596,253,150	2,174,233,809
Total assets		4,512,891,727	3,509,359,406	4,057,414,214	3,121,941,515

The accompanying notes are an integral part of the financial statements.

Smothong Group Public Company Limited and its subsidiaries

Statement of financial position (continue)

As at 31 December 2025

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	*15*	490,000,000	854,028,664	300,000,000	754,028,664
Other short-term loans	*16*	-	150,000,000	-	-
Trade and other current payables	*17*	102,102,003	85,928,259	82,185,277	67,906,254
Current portion of					
- Long-term loans from financial institutions	*18*	249,801,249	171,007,758	226,271,249	138,117,758
- Lease liabilities	*20*	33,880,652	31,111,009	30,926,398	29,729,603
Income tax payable		38,616,555	9,190,068	37,995,699	9,190,068
Derivative liabilities		210,085	263,995	210,085	263,995
Other current liabilities		4,266,366	3,697,274	2,444,000	2,969,660
Total current liabilities		918,876,910	1,305,227,027	680,032,708	1,002,206,002
Non-current liabilities					
Non-current portion of					
- Long-term loans from financial institutions	*18*	369,265,174	573,851,751	365,810,174	543,674,251
- Lease liabilities	*20*	92,406,202	80,838,820	76,812,927	72,919,167
Deferred government grant	*21*	13,549,399	15,056,544	-	-
Deferred tax liabilities	*26*	21,712,484	19,746,767	-	-
Non-current provision for employee benefits	*22*	31,843,638	25,544,908	30,070,119	24,107,465
Total non-current liabilities		528,776,897	715,038,790	472,693,220	640,700,883
Total liabilities		1,447,653,807	2,020,265,817	1,152,725,928	1,642,906,885

The accompanying notes are an integral part of the financial statements.

Smothong Group Public Company Limited and its subsidiaries

Statement of financial position (continue)

As at 31 December 2025

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Shareholders' equity					
Share capital	*23*				
Registered					
920,000,000 ordinary shares of Baht 1 each		920,000,000	688,400,000	920,000,000	688,400,000
(2024: 6,884,000 ordinary shares of Baht 100 each)					
Issued and fully paid up					
920,000,000 ordinary shares of Baht 1 each		920,000,000	688,400,000	920,000,000	688,400,000
(2024: 6,884,000 ordinary shares of Baht 100 each)					
Share premium	*23*	991,829,616	12,935,160	991,829,616	12,935,160
Surplus from the changes in the ownership					
interests in subsidiaries		22,715,449	22,715,449	-	-
Retained earnings					
Appropriated - statutory reserve	*24*	92,000,000	68,809,583	92,000,000	68,809,583
Unappropriated		991,230,404	648,745,580	900,858,670	708,889,887
Equity attributable to shareholders of the Company		3,017,775,469	1,441,605,772	2,904,688,286	1,479,034,630
Non-controlling interests of the subsidiaries		47,462,451	47,487,817	-	-
Total shareholders' equity		3,065,237,920	1,489,093,589	2,904,688,286	1,479,034,630
Total liabilities and shareholders' equity		4,512,891,727	3,509,359,406	4,057,414,214	3,121,941,515

The accompanying notes are an integral part of the financial statements.

Smothong Group Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2025

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Profit or loss:					
Revenues					
Sales of goods		9,711,299,441	6,133,192,085	8,877,187,747	5,937,161,526
Sales of electricity		166,146,077	119,640,890	67,426,847	67,211,709
Other income					
Dividend income from subsidiary	*10*		-		64,994,721
Gain from exchange rates		37,257,704	7,689,145	37,197,506	7,660,139
Revenue from insurance claim compensation		44,540,003	932,536	44,540,003	932,536
Others		12,558,246	7,327,595	30,493,354	14,475,249
Total revenues		9,971,801,471	6,268,782,251	9,056,845,457	6,092,435,880
Expenses					
Cost of goods sold		8,732,631,514	5,450,983,440	8,064,849,107	5,261,218,407
Cost of electricity sold		79,236,220	70,684,643	35,781,307	44,916,730
Selling and distribution expenses		147,326,417	84,239,838	136,309,261	82,146,775
Administrative expenses		252,996,337	201,678,210	216,588,553	170,232,762
Manufacturing expenses from suspended-production segment		-	114,729,353	-	62,676,809
Total expenses		9,212,190,488	5,922,315,484	8,453,528,228	5,621,191,483
Operating profit		759,610,983	346,466,767	603,317,229	471,244,397
Finance income		1,739,357	2,293,964	31,717,675	16,931,681
Finance cost		(58,506,392)	(48,492,471)	(51,259,115)	(44,448,839)
Profit before income tax		702,843,948	300,268,260	583,775,789	443,727,239
Income tax	*26*	(23,953,475)	(40,465,601)	(55,457,003)	(29,725,800)
Profit for the year		678,890,473	259,802,659	528,318,786	414,001,439
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Remeasurement gain (loss) on defined benefit plan					
- net of income tax		(3,140,598)	379,793	(3,059,586)	347,834
Other comprehensive income for the year		(3,140,598)	379,793	(3,059,586)	347,834
Total comprehensive income for the year		675,749,875	260,182,452	525,259,200	414,349,273
Profit (loss) attributable to:					
Equity holders of the Company		678,915,839	259,821,182	528,318,786	414,001,439
Non-controlling interests of the subsidiaries		(25,366)	(18,523)		
		678,890,473	259,802,659		
Total comprehensive income attributable to:					
Equity holders of the Company		675,775,241	260,200,975	525,259,200	414,349,273
Non-controlling interests of the subsidiaries		(25,366)	(18,523)		
		675,749,875	260,182,452		
Earnings per share	*28*				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.94	0.38	0.73	0.60

The accompanying notes are an integral part of the financial statements.

Smothong Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2025

(Unit: Baht)

		Consolidated financial statements							
		Equity attributable to the shareholders' equity							
					Retained earnings				
	Note	Issued and fully paid-up share capital	Share premium	Surplus from the changes in the ownership interests in subsidiaries	Appropriated - statutory reserve	Unappropriated	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2024		688,400,000	12,935,160	22,715,449	62,469,057	515,535,131	1,302,054,797	47,506,619	1,349,561,416
Profit for the year		-	-	-	-	259,641,182	259,641,182	(18,523)	259,622,659
Other comprehensive income for the year		-	-	-	-	379,793	379,793	-	379,793
Total comprehensive income for the year		-	-	-	-	260,020,975	260,020,975	(18,523)	260,002,452
Transfer unappropriated retained earnings to statutory reserve	*24*	-	-	-	6,340,526	(6,340,526)	-	-	-
Dividend paid	*31*	-	-	-	-	(120,470,000)	(120,470,000)	(279)	(120,470,279)
Balance as at 31 December 2024		688,400,000	12,935,160	22,715,449	68,809,583	648,745,580	1,441,605,772	47,487,817	1,489,093,589
									-
Balance as at 1 January 2025		688,400,000	12,935,160	22,715,449	68,809,583	648,745,580	1,441,605,772	47,487,817	1,489,093,589
Profit for the year		-	-	-	-	678,915,839	678,915,839	(25,366)	678,890,473
Other comprehensive income for the year		-	-	-	-	(3,140,598)	(3,140,598)	-	(3,140,598)
Total comprehensive income for the year		-	-	-	-	675,775,241	675,775,241	(25,366)	675,749,875
Increase share capital	*23*	231,600,000	1,019,040,000	-	-	-	1,250,640,000	-	1,250,640,000
Transaction costs - net of income tax	*23*	-	(40,145,544)	-	-	-	(40,145,544)	-	(40,145,544)
Transfer unappropriated retained earnings to statutory reserve	*24*	-	-	-	23,190,417	(23,190,417)	-	-	-
Dividend paid	*31*	-	-	-	-	(310,100,000)	(310,100,000)	-	(310,100,000)
Balance as at 31 December 2025		920,000,000	991,829,616	22,715,449	92,000,000	991,230,404	3,017,775,469	47,462,451	3,065,237,920
									-

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2025

(Unit: Baht)

	Note	Separate financial statements				
		Issued and fully paid-up share capital	Share premium	Retained earnings: Appropriated - statutory reserve	Retained earnings: Unappropriated	Total shareholders' equity
Balance as at 1 January 2024		688,400,000	12,935,160	62,469,057	421,351,140	1,185,155,357
Profit for the year		-	-	-	414,001,439	414,001,439
Other comprehensive income for the year		-	-	-	347,834	347,834
Total comprehensive income for the year		-	-	-	414,349,273	414,349,273
Transfer unappropriated retained earnings to statutory reserve	*24*	-	-	6,340,526	(6,340,526)	-
Dividend paid	*31*	-	-	-	(120,470,000)	(120,470,000)
Balance as at 31 December 2024		688,400,000	12,935,160	68,809,583	708,889,887	1,479,034,630
Balance as at 1 January 2025		688,400,000	12,935,160	68,809,583	708,889,887	1,479,034,630
Profit for the year		-	-	-	528,318,786	528,318,786
Other comprehensive income for the year		-	-	-	(3,059,586)	(3,059,586)
Total comprehensive income for the year		-	-	-	525,259,200	525,259,200
Increase share capital	*23*	231,600,000	1,019,040,000	-	-	1,250,640,000
Transaction costs - net of income tax	*23*	-	(40,145,544)	-	-	(40,145,544)
Transfer unappropriated retained earnings to statutory reserve	*24*	-	-	23,190,417	(23,190,417)	-
Dividend paid	*31*	-	-	-	(310,100,000)	(310,100,000)
Balance as at 31 December 2025		920,000,000	991,829,616	92,000,000	900,858,670	2,904,688,286

The accompanying notes are an integral part of the financial statements.

Smothong Group Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2025

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Cash flows from (used in) operating activities				
Profit before income tax	702,843,948	300,268,260	583,775,789	443,727,239
Adjustments to reconcile profit before income tax to				
net cash provided by (paid) from operating activities:				
Depreciation and amortisation	231,876,887	208,739,372	156,452,560	146,352,055
Allowance of reduction of inventory to net realisable value	26,343,631	3,012,090	11,871,766	2,992,754
Dividend income from subsidiary	-	-	-	(64,994,721)
Gain on return of capital of subsidiary	-	-	-	(107,303)
Loss on return of capital of joint venture	-	187,074	-	187,074
Reversal of allowance for impairment of machinery	-	(2,776,591)	-	-
Loss on disposals/write-off of buildings, equipment and intangible assets	4,704,799	7,581,376	3,690,795	1,588,282
Recognised income from deferred government grant	(1,507,145)	(1,511,275)		-
Increase in non-current provision for employee benefits	2,942,003	1,243,852	2,587,192	531,683
Unrealised loss on fair value adjustments of derivatives	210,085	263,995	210,085	263,995
Loss on termination/modification of lease agreements	168,466	253,858	168,467	253,858
Finance income	(1,739,357)	(2,293,964)	(31,717,675)	(16,931,681)
Finance cost	58,506,392	48,492,470	51,259,115	44,448,839
Profit from operating activities before changes				
in operating assets and liabilities	1,024,349,709	563,460,517	778,298,094	558,312,074
Operating assets (increase) decrease				
Trade and other current receivables	29,304,094	26,308,467	42,322,254	20,316,606
Inventories	(371,408,699)	(289,770,581)	(106,764,550)	(142,337,160)
Other current assets	(987,565)	(2,190,943)	(328,623)	(2,061,432)
Other non-current assets	(279,801)	2,971,780	164,000	4,510,080
Operating liabilities increase (decrease)				
Trade and other current payables	24,709,095	10,180,130	23,868,325	4,839,780
Othe current liabilities	569,092	662,478	(525,660)	627,956
Non-current provision for employee benefits	(567,520)	(300,000)	(447,520)	(290,000)
Cash flows from operating activities	705,688,405	311,321,848	736,586,320	443,917,904
Cash received from interest income	1,739,357	990,096	31,055,551	15,392,003
Cash paid for interest expenses	(59,771,859)	(48,711,285)	(53,046,473)	(44,807,532)
Cash paid for income tax	(31,221,055)	(12,563,354)	(28,569,296)	(11,709,942)
Net cash flows from operating activities	616,434,848	251,037,305	686,026,102	402,792,433

The accompanying notes are an integral part of the financial statements.

Smothong Group Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2025

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Cash flows from (used in) investing activities				
Decrease (increase) in restricted bank deposits	(8,500,000)	(20,000,000)	1,000,000	(20,000,000)
Short-term loans to related parties	-	-	(584,500,000)	(259,500,000)
Cash received from short-term loans to related parties	-	-	521,500,000	159,500,000
Long-term loans to related party	-	-	(150,000,000)	(420,000,000)
Cash received from Long-term loans to related party	-		47,502,000	-
Cash received from dividend income from subsidiary	-	-	-	64,994,721
Cash paid for acquisition of investment in subsidiary	-	(65,000,000)	-	(65,000,000)
Cash paid for capital increase in subsidiary	-	-	(130,000,000)	(70,000,000)
Cash received from return of capital of subsidiary	-	-	-	3,250,476
Cash received from return of capital of joint venture	-	19,812,916	-	19,812,916
Cash received from disposals of building and equipment	518,274	3,187,476	887,434	1,440,000
Cash paid for acquisitions of property, plant and equipment	(456,626,825)	(352,216,680)	(352,302,962)	(279,503,195)
Cash paid for acquisitions of intangible assets	(579,526)	(1,012,833)	(499,685)	(618,052)
Net cash flows used in investing activities	(465,188,077)	(415,229,121)	(646,413,213)	(865,623,134)
Cash flows from (used in) financing activities				
Increase (decrease) in short-term loans from financial institutions	(364,028,664)	54,020,086	(454,028,664)	(45,979,914)
Repayment of other short-term loans	(150,000,000)	(420,000,000)	-	-
Cash received from long-term loans from financial institutions	280,229,928	595,365,475	280,229,928	530,370,475
Repayment of long-term loans from financial institutions	(406,023,014)	(118,118,000)	(369,940,514)	(93,188,000)
Repayment of other long-term loans	-	(672,563)	-	(672,563)
Repayment of principal of lease liabilities	(36,225,214)	(34,465,271)	(33,764,196)	(32,565,029)
Dividend paid to non-controlling interests of the subsidiary	-	(279)	-	-
Cash received from the issuance of ordinary shares	1,210,494,456	-	1,210,494,456	-
Dividend paid	(310,099,760)	(120,470,000)	(310,099,760)	(120,470,000)
Net cash flows from (used in) financing activities	224,347,732	(44,340,552)	322,891,250	237,494,969
Net increase (decrease) in cash and cash equivalents	375,594,503	(208,532,368)	362,504,139	(225,335,732)
Cash and cash equivalents at beginning of year	347,350,446	556,062,814	322,504,488	547,840,220
Cash and cash equivalents at end of year	722,944,949	347,530,446	685,008,627	322,504,488
Supplemental cash flow information				
Non-cash transactions				
List of machinery and equipment disposals that have not yet been paid for	-	-	207,944	-
Acquisitions of machinery and equipment for which cash has not been paid	10,126,993	21,384,523	1,505,381	13,310,952
Right-of-use assets increase from lease agreements	50,312,238	50,654,906	38,604,751	39,453,605
Right-of-use assets decrease from outstanding discount receivables	250,000	-	250,000	-
Transfer of advance payments for acquisition of investment in subsidiary to investment in subsidiary	-	10,000,000	-	10,000,000
Transfer of land to investment properties	9,500,000	62,234,452	9,500,000	62,234,452

The accompanying notes are an integral part of the financial statements.

Smothong Group Public Company Limited and its subsidiaries

Notes to financial statements

For the year ended 31 December 2025

For the year ended 31 December 2025

1. General information of the Company

Smothong Group Public Company Limited ("the Company") is a limited company and registered transformation into a public company limited on 21 March 2025. The Company's major shareholders are the Puangmala family, holding 20.72 percent of the shares, and the Piriyetyanggoon family, holding 19.00 percent of the shares. The Group is principally engaged in the manufacture and distribution of crude palm oil and by products from palm oil extraction along with the generation and distribution of electricity. The registered office address of the Company is at 119/1, Moo 10, Prasong, Tha Chana, Surat Thani (Head office). The Company has five branches located in Surat Thani, Chumphon, Saraburi and Bangkok.

On 15 March 2025, The Company's Annual General Meeting of Shareholders for the year 2025 resolved to approve the conversion of the company from a limited company to a public limited company, in accordance with the Public Limited Company Act. The Company registered the conversion of the company from "Smothong Group Company Limited." to "Smothong Group Public Company Limited" with the Ministry of Commerce on 21 March 2025. The Stock Exchange of Thailand accepted the Company's ordinary shares as listed securities and commenced trading on 10 November 2025.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Smothong Group Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group") as follows:

Company	Nature of business	Country of incorporation	Percentage of shareholding	
			2025	2024
			(Percent)	(Percent)
Team Evolution Company Limited	Distribution of palm products and generation and distribution of electricity	Thailand	49.44	49.44
Mitprasong Greenpower Company Limited	Generation and distribution of electricity	Thailand	100.00	100.00
A L Palm Company Limited	Generation and distribution of crude palm oil and electricity	Thailand	100.00	100.00

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

g) The financial statements of Team Evolution Company Limited are included in the consolidated financial statements even though the Company has 49.44 percent of shareholding in this company. This is because the Company is a major shareholder and is entitled to directing significant activities, while other shareholders are only minority shareholders. As a result, the aforementioned company is considered a subsidiary of the Group.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2026

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2026. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, providing accounting guidance for users of the standard.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax (if any), of goods supplied after deducting returns and discounts.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods and work in process are valued at the lower of cost (under first-in, first-out method) and net realisable value and includes all production costs and attributable factory overheads.

Raw materials, factory supplies and spare parts are valued at the lower of cost (under first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method less allowance for loss on impairment (if any).

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less allowance for loss on impairment (if any).

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings and improvements	-	8 to 40 years
Machinery and plant equipment	-	5 to 20 years
Tools	-	5 years
Furniture, fixtures and office equipment	-	3 years and 5 years
Motor vehicles	-	5 years and 7 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction and installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Right under power purchase agreement	-	11 years and 13 years
Computer software	-	3 years 5 years and 10 years

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	-	3 to 30 years
Machinery and plant equipment	-	10 years
Office equipment	-	3 years and 5 years
Motor vehicles	-	5 years and 7 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as expenses over the lease term on the same basis as the lease income.

4.11 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Group whether directly or indirectly, or which are under common control with the Group.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

4.12 Government grant

Government grant is grant from the energy conservation promotion fund for the biogas technology program, which will be recognised at fair value when the subsidiary has reasonable assurance that the subsidy will be received and is able to comply with the conditions of the subsidy.

Government grant is presented as deferred government grant and recognised in the profit or loss on a straight-line basis over the economic useful lives of related assets.

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.14 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plan. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefits plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.16 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.17 Income tax

Income tax represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.18 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value being recognised in profit or loss.

These financial assets include derivatives related to forward currency contracts and interest rate swaps.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.19 Derivatives

The Group uses derivatives, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Consolidation of subsidiary that the Company holds less than half of shares

The management of the Company determined that the Company has control over Team Evolution Company Limited, even though the Company has hold 49.44% of shares and voting rights that is less than half of the total shareholding. This is because the Company is a major shareholder and is entitled to directing significant activities, while other shareholders are only minority shareholders. As a result, Team Evolution Company Limited is deemed to be a subsidiary of the Group and has to be included in the consolidated financial statements from the date on which the Company assumed the control.

Net realisable value of inventories

The management uses judgement to estimate the net realisable value of inventories based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of reporting date. In addition, the management makes judgement and estimates expected loss from stock obsolescence based upon past sales history and the prevailing economic condition.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Group's plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and Intangible assets

The initial recognition and measurement of goodwill and intangible assets acquired at the acquisition date in a business combination, including the calculation of amortisation calculating the amortisation of intangible assets, require the management to make estimates of the useful lives of intangible assets and to review thosee useful lives when there are any changes occur.

In addition, the management is required to review goodwill and intangible assets for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires management judgements regarding in forecasting the of cash flows to be generated by the asset or the cash-generating units and selecting to choose an appropriate suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Group has contingent liabilities arising from litigation. The management has exercised judgement in assessing the outcomes of the litigation. In cases where the management anticipates a loss, the Group will set up provisions in the accounts. Conversely, if the management believes that no loss will occur, the Group will not record provisions at the end of the reporting period.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	2025	2024	2025	2024	Pricing policies
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Sales of goods	-	-	2,662	3,239	Contract price and with reference to market price
Sales of raw material	-	-	108,757	-	With reference to market price
Interest income	-	-	30,106	14,733	At rates of 4.75 to 5.10 percent per annum
Other income	-	-	25,917	9,325	Contract price and as agreed
Sales of fixed assets	-	-	535	3,394	With reference to market price
Manufacturing fee	-	-	-	11,835	Contract price
Other expenses	-	-	778	504	Contract price and as agreed
Purchases of raw materials	-	-	21,531	2,613	With reference to market price
Purchases of goods	-	-	1,182,761	21,729	With reference to market price
Dividend income	-	-	-	64,995	As announcement
Transactions with related companies					
Purchases of machinery and spare parts	48,422	99,945	38,173	56,647	Contract price
Transportation expenses	13,025	9,256	10,050	9,034	Contract price
Other expenses	196	167	179	167	Contract price

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	2025	2024	2025	2024	Pricing policies
Transactions with the Company's directors and related persons					
Dividend paid	236,227	108,336	236,227	108,336	As announcement
Purchases of goods	5,513	4,623	5,513	4,623	With reference to market price
Other expenses	227	463	227	254	Contract price
Rental expenses	2,841	2,731	2,841	1,731	Contract price

As at 31 December 2025 and 2024, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Trade and other current receivables - related parties				
Trade receivable - related parties (Note 8)				
Subsidiaries	-	-	426	348
Total trade receivable - related parties	-	-	426	348
Other current receivables - related parties (Note 8)				
Subsidiaries	-	-	5,016	6,943
Total other current receivables - related parties	-	-	5,016	6,943
Total trade and other current receivables - related parties	-	-	5,442	7,291
Trade and other current payables - related parties				
Trade payables - related party (Note 17)				
Subsidiary	-	-	-	323
Total trade payables - related party	-	-	-	323
Other current payables - related parties (Note 17)				
Subsidiaries	-	-	34	140
Related companies (common shareholders)	5,056	7,452	3,037	392
Related person	13	8	13	8
Total other current payables - related parties	5,069	7,460	3,084	540
Total trade and other current payables - related parties	5,069	7,460	3,084	863
Lease liabilities				
Related person	14,941	1,834	14,941	1,834

Short-term loans to related parties

As at 31 December 2025 and 2024, the balances of short-term loans between the Company and these related parties and the movements in loans are as follows:

(Unit: Thousand Baht)

	Interest rate		Separate financial statements			
	(percent per annum)		Balance as at	Increase	Decrease	Balance as at
	31 December	31 December	31 December	during the	during the	31 December
Loans to	2024	2025	2024	year	year	2025
Subsidiaries						
Mitprasong Greenpower Company Limited	5.10	4.75	19,600	29,500	(16,500)	32,600
A L Palm Company Limited	5.10	4.75	100,000	555,000	(505,000)	150,000
Total			119,600	584,500	(521,500)	182,600

The above loans are unsecured promissory notes and are repayable within one year.

Long-term loans to related party

During the current year, the long-term loan between the Company and A L Palm Company Limited, a subsidiary, and the movements in loans are as follows:

	(Unit: Thousand Baht) Separate financial statements
Balance as at 1 January 2025	420,000
Add: Borrowings during the year	150,000
Less: Repayments during the year	(47,502)
Balance as at 31 December 2025	522,498
Less: Current portion	(81,432)
Long-term loans to related party - net of current portion	441,066

These loans are unsecured with monthly payments. The first installment is due by 30 June 2025, and the loans are to be paid in full by 30 June 2032, at an interest rate of 4.75 percent per annum (2024: 5.10 percent per annum). The subsidiary made first installment repayment in July 2025.

Directors and management's benefits

During the years ended 31 December 2025 and 2024, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements	
	2025	2024
Short-term employee benefits	33,359	27,416
Post-employment benefits	897	624
Total	34,256	28,040

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries (Mitprasong Greenpower Company Limited and A L Palm Company Limited) as described in Note 19 to the financial statements.

7. Cash and cash equivalents

The balances of cash and cash equivalents as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Cash	44,355	43,812	27,224	34,534
Bank deposits	678,590	303,538	657,785	287,970
Total	722,945	347,350	685,009	322,504

As at 31 December 2025, bank deposits in saving accounts and fixed accounts carried interests between 0.15 to 1.20 percent per annum (2024: 0.15 to 0.90 percent per annum) (the Company only: 0.15 to 1.20 percent per annum, 2024: 0.15 to 0.90 percent per annum).

8. Trade and other current receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	-	-	426	348
Total trade receivables - related parties	-	-	426	348
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	104,194	137,819	92,152	130,802
Total trade receivables - unrelated parties	104,194	137,819	92,152	130,802
Total trade receivables	104,194	137,819	92,578	131,150
Other current receivables				
Other current receivables - related parties	-	-	5,016	6,943
Other current receivables - unrelated parties	1,275	299	992	299
Accrued income - unrelated parties	11,561	7,966	4,199	5,595
Total other current receivables	12,836	8,265	10,207	12,837
Total trade and other current receivables	117,030	146,084	102,785	143,987

The normal credit term is 3 days to 60 days.

. Inventories

The balances of inventories as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2025	2024	2025	2024	2025	2024
Finished goods	783,168	416,787	(26,402)	(1,076)	756,766	415,711
Work in process	1,456	2,262	-	-	1,456	2,262
Factory supplies and spare parts	46,884	41,050	(3,211)	(2,193)	43,673	38,857
Total	831,508	460,099	(29,613)	(3,269)	801,895	456,830

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2025	2024	2025	2024	2025	2024
Finished goods	380,143	273,215	(11,941)	(1,076)	368,202	272,139
Work in process	388	1,516	-	-	388	1,516
Factory supplies and spare parts	33,769	32,805	(3,176)	(2,169)	30,593	30,636
Total	414,300	307,536	(15,117)	(3,245)	399,183	304,291

During the current year, the Group reduced cost of inventories by Baht 26 million (2024: Baht 3 million) (the Company only: Baht 12 million, 2024: Baht 3 million), to reflect the net realisable value. This was included in cost of sales.

As at 31 December 2025 and 2024, the Company has transferred insurance policy benefits for inventories to the bank in order to secure credit facilities as described in Note 19 to the financial statements.

10. Investments in subsidiaries

10.1 Details of investments in subsidiaries as presented in separate financial statements

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Carrying amounts based on cost method - net		Dividend received during the years	
	2025	2024	2025	2024	2025	2024	2025	2024
			Percent	Percent				
Team Evolution Company Limited	90,000	90,000	49.44	49.44	44,491	44,491	-	-
Mitprasong Greenpower Company Limited	70,000	70,000	100.00	100.00	103,514	103,514	-	64,995
A L Palm Company Limited	480,000	350,000	100.00	100.00	275,000	145,000	-	-
Total investments in subsidiaries					423,005	293,005	-	64,995

Movement of the investment in subsidiary for the year ended 31 December 2025 is summarised below.

Investment in A L Palm Company Limited

On 29 May 2025, the Board of Directors' meeting of A L Palm Company Limited passed a resolution to call for an additional payment of 65 percent on the 2 million shares, each with a par value of 100 Baht, totaling Baht 130 million, and such payment was fully received. The subsidiary registered the capital increase with the Ministry of Commerce on 9 June 2025.

Movements of the investments in subsidiaries for the year ended 31 December 2024 was summarised below.

Investment in A L Palm Company Limited

On 2 February 2024, the Company entered into a share purchase agreement to acquire ordinary shares from the existing shareholders of A L Palm Company Limited ("AL") for a total of Baht 645 million. The total amount was divided into two parts as follows:

1. The Company paid Baht 75 million to the existing shareholders for 2,799,999 shares, representing a 100% investment in such company. The full amount has already been paid.
2. The Company facilitated A L Palm Company Limited in repaying a loan from the existing shareholders amounting to Baht 570 million, which the Company considers part of the net investment in A L Palm Company Limited.

The loan repayments were as follows:

- 14 June 2024: An amount of Baht 420 million, which has already been fully repaid.
- 31 October 2024: An amount of Baht 150 million. The repayment date has been deferred to no later than 28 February 2025. Therefore, it is presented as part of other short-term loans in the consolidated financial statements as at 31 December 2024. On 28 February 2025, the Company has fully repaid the loan.

The Company considers AL a subsidiary and has included AL's financial statements in the preparation of the consolidated financial statements since 2 February 2024 (the date of the share purchase). The Company has completed the measurement of the identifiable assets acquired and liabilities assumed as of the acquisition date, as detailed below.

	(Unit: Thousand Baht)
	Fair Value
Assets	
Trade and other current receivables	2,181
Inventories	3,532
Other current assets	269
Property, plant and equipment	493,459
Intangible assets	48,224
Deferred tax assets - net	500
Other non-current assets	41
Total assets	548,206
Labilities	
Trade and other current payables	(2,783)
Other current liabilities	(90)
Non-current provision for employee benefits	(464)
Total liabilities	(3,337)
Net assets	544,869

The details of the business acquisition as of the share purchase date are as follows:

	(Unit: Thousand Baht)
Cash paid for purchase of investment in subsidiary	75,000
Long-term loans to subsidiary	570,000
Total consideration transferred	645,000
Proportionate share of identifiable net assets of the acquiree	(544,869)
Goodwill	100,131

The impact on cash flows resulting from the business acquisition for the year ended 31 December 2024 is summarised as follows:

	(Unit: Thousand Baht)
Cash paid for purchase of investment in subsidiary	75,000
Long-term loans to subsidiary	570,000
Total consideration transferred	645,000
Less: Other short-term loans	(150,000)
Net cash paid for acquiring a business	495,000

On 13 August 2024, the Extraordinary General Meeting of the Shareholders of A L Palm Company Limited passed a special resolution approving an increase in registered share capital from Baht 280 million to Baht 480 million, by issuing 2 million ordinary shares with a par value of Baht 100 per share, amounting to Baht 200 million, to be offered to existing shareholders. The subsidiary called for payment of the share subscription as follows:

No.	The capital increase	Amount	The capital increase was registered with the Ministry of Commerce on
	(Percent)	(Thousand Baht)	
1	30	60,000	19 August 2024
2	5	10,000	27 December 2024

Investment in SMG Products Company Limited

On 14 August 2024, the Extraordinary General Meeting of Shareholders of SMG Products Company Limited passed a special resolution approving the dissolution. The subsidiary registered the dissolution with the Ministry of Commerce on 14 August 2024 and completed the liquidation on 28 December 2024.

10.2 Details of investment in subsidiary that have material non-controlling interests

(Unit: Thousand Baht)

Company	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit or loss allocated to non-controlling interests during the years	
	2025	2024	2025	2024	2025	2024
	Percent	Percent				
Team Evolution Company Limited	50.56	50.56	46,290	46,315	(25)	(18)

10.3 Summarised financial information of Team Evolution Company Limited that based on amounts before inter-company elimination

Summarised information about financial position

(Unit: Thousand Baht)

	2025	2024
Current assets	4,326	4,376
Non-current assets	87,261	87,261
Current liabilities	42	42

Summarised information about comprehensive income

(Unit: Thousand Baht)

	For the years ended 31 December	
	2025	2024
Revenue	13	23
Loss	(50)	(37)
Total comprehensive income	(50)	(37)

Summarised information about cash flow

(Unit: Thousand Baht)

	For the years ended 31 December	
	2025	2024
Cash flow used in operating activities	51	203

11. Investment properties

As at 31 December 2025, the net book value of investment properties are Baht 159 million (2024: Baht 149 million) (the Company only: Baht 83 million, 2024: Baht 73 million).

The additional information of the investment properties as at 31 December 2025 and 2024 stated below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Fair value of land for rent	11,310	-	32,590	21,280
Fair value of land awaiting sale	218,031	218,031	73,601	73,601

The fair values of the investment properties have been determined based on valuations performed by an independent appraiser. The fair value of land awaiting sale has been determined based on market approach. The fair value of land for rent has been determined based on the income approach. The primary assumptions used in the valuation include the yield rate and the long-term growth in rental rates.

The Company has pledged investment properties amounting to approximately Baht 69 million (2024: Baht 69 million) as collateral against credit facilities received from financial institutions as described in Note 19 to the financial statements.

12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land	Buildings and improvement	Machinery and plant equipment	Tools	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Cost:								
As at 1 January 2024	279,114	564,398	1,293,791	13,836	46,045	49,794	87,888	2,334,866
Additions	17,184	3,516	19,911	1,616	6,806	2,901	301,777	353,711
Increase from acquisition of subsidiary	199,794	91,020	201,438	-	1,207	-	-	493,459
Disposals/write-off	-	(3,077)	(55,598)	(2,043)	(4,582)	(1,802)	-	(67,102)
Transfer in (out)	-	40,054	67,564	326	17,482	399	(125,825)	-
Transfer to investment property	(62,234)	-	-	-	-	-	-	(62,234)
Capitalised interest	-	-	-	-	-	-	2,558	2,558
As at 31 December 2024	433,858	695,911	1,527,106	13,735	66,958	51,292	266,398	3,055,258
Additions	6,143	5,094	20,272	2,154	19,428	25,537	366,741	445,369
Disposals/write-off	-	(6,007)	(4,764)	(527)	(2,241)	(7,426)	-	(20,965)
Transfer in (out)	91,865	57,984	249,795	-	3,303	1,740	(404,687)	-
Transfer to investment property	(9,500)	-	-	-	-	-	-	(9,500)
Capitalised interest	-	-	-	-	-	-	3,739	3,739
As at 31 December 2025	522,366	752,982	1,792,409	15,362	87,448	71,143	232,191	3,473,901

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land	Buildings and improvement	Machinery and plant equipment	Tools	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Accumulated depreciation:								
As at 1 January 2024	-	218,539	711,115	9,640	35,830	44,928	-	1,020,052
Depreciation for the year	-	32,502	121,413	2,119	5,654	1,041	-	162,729
Depreciation on disposals/write-off	-	(2,209)	(47,351)	(1,840)	(4,357)	(819)	-	(56,576)
As at 31 December 2024	-	248,832	785,177	9,919	37,127	45,150	-	1,126,205
Depreciation for the year	-	36,517	132,759	2,330	9,772	2,578	-	183,956
Depreciation on disposals/write-off	-	(2,796)	(3,496)	(400)	(2,037)	(7,022)	-	(15,751)
As at 31 December 2025	-	282,553	914,440	11,849	44,862	40,706	-	1,294,410
Allowance for impairment loss:								
As at 1 January 2024	-	-	2,777	-	-	-	-	2,777
Decrease in allowance for impairment loss	-	-	(2,777)	-	-	-	-	(2,777)
As at 31 December 2024	-	-	-	-	-	-	-	-
As at 31 December 2025	-	-	-	-	-	-	-	-

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land	Buildings and improvement	Machinery and plant equipment	Tools	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Net book value:								
As at 31 December 2024	433,858	447,079	741,929	3,816	29,831	6,142	266,398	1,929,053
As at 31 December 2025	522,366	470,429	877,969	3,513	42,586	30,437	232,191	2,179,491
Depreciation for the year								
2024 (Baht 120 million included in manufacturing cost, and the balance in selling and distribution expenses and administrative expenses)								162,729
2025 (Baht 167 million included in manufacturing cost, and the balance in selling and distribution expenses and administrative expenses)								183,956

(Unit: Thousand Baht)

	Separate financial statements							
	Land	Buildings and improvement	Machinery and plant equipment	Tools	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Cost:								
As at 1 January 2024	267,892	547,167	989,714	8,684	44,582	49,753	87,891	1,995,683
Additions	11,355	141	17,860	394	2,617	2,028	238,529	272,924
Disposals/write-off	-	(1,087)	(53,120)	(560)	(2,414)	(1,802)	-	(58,983)
Transfer in (out)	-	34,490	24,609	-	14,263	399	(73,761)	-
Transfer to investment property	(62,234)	-	-	-	-	-	-	(62,234)
Capitalised interest	-	-	-	-	-	-	2,558	2,558
As at 31 December 2024	217,013	580,711	979,063	8,518	59,048	50,378	255,217	2,149,948
Additions	4,520	1,850	9,199	1,146	15,331	17,692	290,759	349,497
Disposals/write-off	-	(6,007)	(5,382)	(316)	(1,790)	(7,426)	-	(20,921)
Transfer in (out)	86,510	40,033	218,589	-	2,514	1,740	(349,386)	-
Transfer to investment property	(9,500)	-	-	-	-	-	-	(9,500)
Capitalised interest	-	-	-	-	-	-	3,739	3,739
As at 31 December 2025	298,543	616,587	1,201,469	9,348	75,103	62,384	200,329	2,463,763

(Unit: Thousand Baht)

	Separate financial statements							
	Land	Buildings and improvement	Machinery and plant equipment	Tools	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Accumulated depreciation:								
As at 1 January 2024	-	214,160	586,878	6,946	34,645	44,924	-	887,553
Depreciation for the year	-	27,896	79,366	582	4,849	979	-	113,672
Depreciation on disposals/write-off	-	(313)	(49,914)	(473)	(2,099)	(819)	-	(53,618)
As at 31 December 2024	-	241,744	616,330	7,055	37,395	45,084	-	947,607
Depreciation for the year	-	29,802	84,224	595	7,620	2,115	-	124,356
Depreciation on disposals/write-off	-	(2,796)	(4,411)	(271)	(1,643)	(7,021)	-	(16,142)
As at 31 December 2025	-	268,749	696,143	7,379	43,372	40,170	-	1,055,821
Net book value:								
As at 31 December 2024	217,013	338,968	362,733	1,463	21,653	5,294	255,217	1,202,341
As at 31 December 2025	298,543	347,838	505,326	1,969	31,731	22,206	200,329	1,407,942

Depreciation for the year

2024 (Baht 87 million included in manufacturing cost, and the balance in selling and distribution expenses and administrative expenses)	113,672
2025 (Baht 112 million included in manufacturing cost, and the balance in selling and distribution expenses and administrative expenses)	124,356

As at 31 December 2025, the Company had a balance of construction in progress of Baht 142 million (2024: Baht 176 million). The Company used loans borrowed from financial institutions for the construction of office buildings and machinery. During the year ended 31 December 2025, the Company capitalised borrowing costs amounting to Baht 3.7 million (2024: Baht 2.6 million) as part of the project costs, calculated using capitalisation rates ranging from 2.00% to 4.33% (2024: 3.55% to 5.05%)

As at 31 December 2025, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 484 million (2024: Baht 390 million) (the Company only: Baht 460 million, 2024: Baht 363 million).

The Group has pledged their property, plant and equipment amounting to approximately Baht 1,902 million (2024: Baht 1,683 million) (the Company only: Baht 1,264 million, 2024: Baht 1,027 million) together with benefits from insurance policies of the Company and a subsidiary as collateral against credit facilities received from financial institutions, as described in Note 19 to the financial statements.

13. Goodwill

As at 31 December 2025 and 2024, amounting to 100 million Baht, arose from the acquisition of an investment in A L Palm Company Limited.

The Group has determined the recoverable amounts of its cash-generating units based on value in use using cash flow projections from financial estimation approved by management covering a 5-year period.

Key assumptions used in calculating the value of an asset in use include a pre-tax discount rate of 9.40 percent per year and a growth rate of zero percent per year.

Management considers growth rates based on past performance, market growth forecasts, economic growth, inflation rates and discount rates as a pre-tax rate to reflect the risks specific to each cash-generating unit.

Management has considered and believes that goodwill is not impaired.

14. Intangible assets

The net book value of intangible assets as at 31 December 2025 and 2024 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements
	Right under power purchase agreement	Computer software	Total	Computer software
Cost				
As at 1 January 2024	115,116	7,550	122,666	7,256
Addition	-	1,013	1,013	618
Increase from acquisition of subsidiary	47,993	231	48,224	-
Write-off	-	(1,467)	(1,467)	(1,376)
As at 31 December 2024	163,109	7,327	170,436	6,498
Addition	-	579	579	500
Write-off	-	(33)	(33)	(33)
As at 31 December 2025	163,109	7,873	170,982	6,965
Accumulated amortisation				
As at 1 January 2024	34,756	5,440	40,196	5,255
Amortisation for the year	12,706	1,414	14,120	1,121
Write-off	-	(1,224)	(1,224)	(1,143)
As at 31 December 2024	47,462	5,630	53,092	5,233
Amortisation for the year	13,046	1,068	14,114	899
Write-off	-	(26)	(26)	(26)
As at 31 December 2025	60,508	6,672	67,180	6,106
Net book value				
As at 31 December 2024	115,647	1,697	117,344	1,265
As at 31 December 2025	102,601	1,201	103,802	859

15. Short-term loans from financial institutions

The balances of short-term loans from financial institutions as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Promissory notes	490,000	850,000	300,000	750,000
Trust receipts	-	4,029	-	4,029
Total	490,000	854,029	300,000	754,029

Short-term loans from financial institutions are secured by as described in Note 19 to the financial statements.

16. Other short-term loans

As at 31 December 2024 , a subsidiary (A L Palm Company Limited) had other short-term loans with another company in the form of a non-interest- bearing promissory note, guaranteed by the Company. The loans are due by 28 February 2025.

During the current year, the movements of other short-term loans are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements
Balance as at 1 January 2025	150,000
Less: Repayments during the year	(150,000)
Balance as at 31 December 2025	-

17. Trade and other current payables

The balances of trade and other current payables as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Trade payables - related parties	-	-	-	323
Trade payables - unrelated parties	74	17	54	1
Other current payables - related parties	5,069	7,460	3,084	540
Other current payables - unrelated parties	24,744	21,959	18,816	17,825
Accrued expenses	63,125	43,554	52,999	37,166
Retention payables	9,090	12,938	7,232	12,051
Total trade and other current payables	102,102	85,928	82,185	67,906

18. Long-term loans from financial institutions

The balances of long-term loans from financial institutions as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

Loan	Credit facilities	Agreement date	Borrowing periods	Repayment condition	2025 Current portion	2025 Long-term portion	2025 Total	2024 Current portion	2024 Long-term portion	2024 Total
The Company										
No.1*	Baht 85 million	28 June 2018	9 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from August 2018 to July 2027.	12,090	5,180	17,270	12,090	16,340	28,430
No.2	Baht 40 million	18 September 2019	7 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from November 2020 to October 2027.	7,280	5,398	12,678	7,280	12,119	19,399
No.3	Baht 51 million	8 April 2021	7 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from July 2021 to June 2028.	3,350	-	3,350	15,090	4,100	19,190
No.4	Baht 12 million	8 April 2021	7 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from November 2022 to October 2029.	3,666	1,808	5,474	3,666	5,192	8,858

(Unit: Thousand Baht)

Loan	Credit facilities	Agreement date	Borrowing periods	Repayment condition	2025 Current portion	2025 Long-term portion	2025 Total	2024 Current portion	2024 Long-term portion	2024 Total
No.5	Baht 18 million	5 January 2022	3 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from February 2022 to January 2025.	-	-	-	500	-	500
No.6	Baht 39 million	6 January 2022	5 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from January 2022 to December 2026.	-	-	-	9,490	3,785	13,275
No.7	Baht 112 million	6 January 2022	8 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, except that the first 12 installments are the grace period for principal payment, starting from April 2022 to December 2029.	18,000	11,680	29,680	19,500	58,180	77,680
No.8	Baht 26 million	16 March 2022	8 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from February 2024 to January 2032.	-	-	-	9,770	-	9,770
No.9	Baht 150 million	16 March 2023	7 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from May 2024 to May 2031.	82,341	-	82,341	4,000	57,301	61,301

(Unit: Thousand Baht)

Loan	Credit facilities	Agreement date	Borrowing periods	Repayment condition	2025 Current portion	2025 Long-term portion	2025 Total	2024 Current portion	2024 Long-term portion	2024 Total
No.10	Baht 17 million	19 July 2023	4 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, except that the first 6 installments are the grace period for interest payment, starting from November 2025 to October 2028.	4,260	3,270	7,530	4,615	7,530	12,145
No.11	Baht 17 million	21 May 2024	4 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, except that the first 6 installments are the grace period for interest payment, starting from November 2025 to October 2028.	4,615	2,370	6,985	4,615	6,630	11,245
No.12	Baht 670 million	14 June 2024	7 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, except that the first 12 installments are the grace period for principal payment, starting from June 2025 to May 2032.	89,769	332,729	422,498	47,502	372,498	420,000
No.13	Baht 5 million	17 September 2025	5 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting From October 2025 to September 2030.	900	3,375	4,275	-	-	-
Total long-term loans from financial institutions of the Company					226,271	365,810	592,081	138,118	543,674	681,792

(Unit: Thousand Baht)

Loan	Credit facilities	Agreement date	Borrowing periods	Repayment condition	2025 Current portion	2025 Long-term portion	2025 Total	2024 Current portion	2024 Long-term portion	2024 Total
The subsidiary (Mitprasong Greenpower Company Limited)										
No.1	Baht 51 million	8 April 2021	7 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from December 2021 to November 2028.	-	-	-	9,360	5,003	14,363
No.2	Baht 65 million	27 February 2024	3 years	The loan and its interest thereon are repayable in monthly installments at the rate stipulated in the agreement, starting from February 2024 to January 2027.	23,530	3,455	26,985	23,530	25,175	48,705
Total long-term loans from financial institution of the subsidiary					23,530	3,455	26,985	32,890	30,178	63,068
Total long-term loans from financial institutions of the Group					249,801	369,265	619,066	171,008	573,852	744,860

* The Company manages the interest rate risk of the credit facilities by entering into interest rate swaps with fixed interest per annum.

Movements of the long-term loans from financial institutions account for the years ended 31 December 2025 and 2024 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Balance as at 1 January	744,860	267,612	681,792	244,610
Add: Additional borrowings during the year	280,230	595,366	280,230	530,370
Less: Repayments during the year	(406,024)	(118,118)	(369,941)	(93,188)
Balance as at 31 December	619,066	744,860	592,081	681,792

Moreover, the credit facilities from the financial institutions contain several covenants which, among other things, are the maintenance of financial ratios, the restriction on providing and repaying loans to related parties and the dividend payment. The covenants are tested annually on 31 December each year. The Group has no indication that it will have difficulty complying with these covenants within the twelve months after the reporting period.

The loan agreements from financial institutions are secured by as described in Note 19 to the financial statements.

19. Credit facilities

Credit facilities of the Group granted by the financial institutions are secured by the following:

a) Guarantees provided by the Company and the Company's directors

b) Mortgage of land with construction thereon and registration of business collateral agreement relating to a transfer of certain machinery of the group. Such net book value of assets as at 31 December 2025 and 2024 are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Investment properties	62	62	69	69
Property, plant and equipment	1,902	1,683	1,264	1,027

c) Registration of business collateral relating to land leasehold rights of the subsidiary (Mitprasong Greenpower Company Limited)

d) Registration of business collateral relating to claims to the Company's and the subsidiary's deposit accounts (Mitprasong Greenpower Company Limited)

e) Transfer of benefits in insurance policies for assets which are secured under b) and inventories to the financial institutions

20. Leases

The Group as a lessee

The Group entered into lease contracts for various assets including land, plant equipment, office equipment and motor vehicles used in its operations. The term of the land lease is generally 3 years to 30 years and that of the lease of plant equipment, office equipment and motor vehicles are generally 3 years to 5 years.

a) Right-of-use assets

Movements of right-of-use assets account for the year ended 31 December 2025 and 2024 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land	Machinery and plant Equipment	Office equipment	Motor vehicles	Total
As at 1 January 2024	27,108	8,829	8,014	75,865	119,816
Additions	14,377	4,911	1,069	30,298	50,655
Lease cancellation during the year	(6,327)	-	-	(2,395)	(8,722)
Depreciation for the year	(6,207)	(1,391)	(2,941)	(21,353)	(31,892)
As at 31 December 2024	28,951	12,349	6,142	82,415	129,857
Additions	29,985	7,644	-	12,683	50,312
Lease modification during the year	(168)	-	-	-	(168)
Depreciation for the year	(7,824)	(1,928)	(2,128)	(21,927)	(33,807)
As at 31 December 2025	50,944	18,065	4,014	73,171	146,194

(Unit: Thousand Baht)

	Separate financial statements				
	Land	Machinery and plant Equipment	Office equipment	Motor vehicles	Total
As at 1 January 2024	27,108	8,829	8,014	75,865	119,816
Additions	3,176	4,911	1,069	30,298	39,454
Lease cancellation during the year	(6,327)	-	-	(2,395)	(8,722)
Depreciation for the year	(5,874)	(1,391)	(2,941)	(21,353)	(31,559)
As at 31 December 2024	18,083	12,349	6,142	82,415	118,989
Additions	21,859	4,063	-	12,683	38,605
Lease modification during the year	(168)	-	-	-	(168)
Depreciation for the year	(5,315)	(1,828)	(2,128)	(21,927)	(31,198)
As at 31 December 2025	34,459	14,584	4,014	73,171	126,228

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Lease payments	147,877	125,148	125,986	113,594
Less: Deferred interest expenses	(21,590)	(13,198)	(18,247)	(10,945)
Total	126,287	111,950	107,739	102,649
Less: Current portion	(33,881)	(31,111)	(30,926)	(29,730)
Lease liabilities - net of current portion	92,406	80,839	76,813	72,919

Movements of the lease liabilities account for the years ended 31 December 2025 and 2024 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Balance at beginning of the year	111,950	104,228	102,649	104,228
Additions	50,562	50,655	38,855	39,454
Lease cancellation	-	(8,468)	-	(8,468)
Accretion of interests	5,085	5,105	4,316	4,985
Repayment	(41,310)	(39,570)	(38,081)	(37,550)
Balance at ending of the year	126,287	111,950	107,739	102,649

A maturity analysis of lease payments is disclosed in Note 34.1 to the financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Depreciation expenses of right-of-use assets	33,807	31,892	31,198	31,559
Interest expenses on lease liabilities	5,085	5,105	4,316	4,985
Expenses relating to short-term leases	7,742	471	5,566	700
Expenses relating to leases of low-value assets	356	118	315	87

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2025 of Baht 49 million (2024: Baht 40 million) (the Company only: Baht 44 million 2024: Baht 38 million), including the cash outflow related to short-term leases and leases of low-value assets.

21. Deferred government grant

Movements of the deferred government grant account for the years ended 31 December 2025 and 2024 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2025	2024
Balance as at 1 January	15,057	16,568
Less: Amount recognised as income during the year	(1,508)	(1,511)
Balance as at 31 December	13,549	15,057

22. Provision for employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2025			2024		
	Legal severance payment plan	Long service awards plan	Total	Legal severance payment plan	Long service awards plan	Total
Provision for employee benefits at beginning of year	24,373	1,172	25,545	23,107	1,515	24,622
Included in profit or loss:						
Current service cost	2,195	236	2,431	2,911	433	3,344
Interest cost	491	20	511	563	16	579
Past service costs	-	(137)	(137)	(2,184)	(342)	(2,526)
Actuarial (gain) loss	-	138	138	-	(150)	(150)
Included in other comprehensive income:						
Remeasurement (gain) loss arising from						
Demographic assumptions changes	-	-	-	(2,636)	-	(2,636)
Financial assumptions changes	1,565	-	1,565	(87)	-	(87)
Experience adjustments	2,359	-	2,359	2,235	-	2,235
Increase from acquisition of subsidiary	-	-	-	464	-	464
Benefit paid during the year	(355)	(213)	(568)	-	(300)	(300)
Provision for employee benefits at end of year	30,628	1,216	31,844	24,373	1,172	25,545

(Unit: Thousand Baht)

	Separate financial statements					
	2025			2024		
	Legal severance payment plan	Long service awards plan	Total	Legal severance payment plan	Long service awards plan	Total
Provision for employee benefits at beginning of year	23,240	867	24,107	22,801	1,500	24,301
Included in profit or loss:						
Current service cost	1,994	190	2,184	2,040	147	2,187
Interest cost	460	15	475	554	15	569
Past service costs	-	(125)	(125)	(1,720)	(342)	(2,062)
Actuarial (gain) loss	-	54	54	-	(163)	(163)
Included in other comprehensive income:						
Remeasurement (gain) loss arising from						
Demographic assumptions changes	-	-	-	(2,556)	-	(2,556)
Financial assumptions changes	1,456	-	1,456	(89)	-	(89)
Experience adjustments	2,367	-	2,367	2,210	-	2,210
Benefit paid during the year	(355)	(93)	(448)	-	(290)	(290)
Provision for employee benefits at end of year	29,162	908	30,070	23,240	867	24,107

The Group expects to pay Baht 5.4 million of long-term employee benefits during the next year (2024: Baht 4.0 million) (the Company only: Baht 5.3 million, 2024: Baht 4.0 million).

As at 31 December 2025, the weighted average duration of the liabilities for post-employment severance pay and long service award scheme of the Group is 16 years (2024: 17 years) (the Company only: 16 years, 2024: 17 years)

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Discount rate	1.11 - 2.67	1.99 - 3.40	1.11 - 2.67	1.99 - 3.40
Salary increase rate	3.0 - 5.5	3.0 - 5.5	3.0 - 5.5	3.0 - 5.5
Turnover rate	0.0 - 16.0	0.0 - 16.0	0.0 - 16.0	0.0 - 16.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2025 and 2024 are summarised below:

(Unit: Thousand Baht)

	2025			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(2,789)	3,274	(2,535)	2,959
Salary increase rate	3,158	(2,745)	2,858	(2,498)
	Change increase 20%	Change decrease 20%	Change increase 20%	Change decrease 20%
Turnover rate	(2,242)	2,724	(1,961)	2,362

(Unit: Thousand Baht)

	2024			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(2,072)	2,442	(1,881)	2,207
Salary increase rate	2,361	(2,040)	2,137	(1,856)
	Change increase 20%	Change decrease 20%	Change increase 20%	Change decrease 20%
Turnover rate	(1,792)	2,173	(1,582)	1,905

23. Share capital

On 15 March 2025, the Annual General Meeting of the Company's shareholders for the year 2025 passed the following resolutions:

a) Approved the change in the par value of the Company's ordinary shares from Baht 100 per share to Baht 1 per share, resulting in a change in the Company's registered capital to 688.4 million shares with a par value of Baht 1 per share, totaling Baht 688.4 million.

b) Approved the increase in the Company's registered capital from Baht 688.4 million (688.4 million ordinary shares with a par value of Baht 1 per share) to a new registered capital of Baht 920 million (920 million ordinary shares with a par value of Baht 1 per share) by issuing 231.6 million new ordinary shares with a par value of Baht 1 per share, with details as follows:

1) Allocation of 173.70 million newly issued ordinary shares with a par value of Baht 1 per share, representing 75 percent of the total offering, to be offered to individuals at the discretion of the underwriter and to institutional investors.

2) Allocation of 34.74 million newly issued ordinary shares with a par value of Baht 1 per share, representing 15 percent of the total offering, to be offered to the Company's strategic partners.

3) Allocation of 23.16 million newly issued ordinary shares with a par value of Baht 1 per share, representing 10 percent of the total offering, to be offered to directors, executives and/or employees of the Company.

The Company registered the changes in the par value of its ordinary shares and the increase in registered share capital with the Ministry of Commerce on 21 March 2025.

During 31 October 2025 to 4 November 2025, the Company offered 231,600,000 ordinary shares with a par value of Baht 1 each, at a price of Baht 5.4 per share to the initial public offering, amounting to Baht 1,250.6 million. Subsequently on 5 November 2025, the Company received full payment of the additional capital and registered the increase in its issued and paid-up share capital from Baht 684.4 million (688,400,000 ordinary shares with a par value of Baht 1 each) to Baht 920.0 million (920,000,000 ordinary shares with a par value of Baht 1 each) with the Ministry of Commerce. The Stock of Exchange of Thailand approved the 920,000,000 ordinary shares with a par value of Baht 1 each of the Company as listed securities, with trading permitted on 10 November 2025.

The Company incurred transaction costs amounting Baht 40.1 million and these expenses were recorded as a deduction against share premium.

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

25. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Raw materials and consumables used	8,162,322	5,175,534	6,087,928	4,835,814
Changes in inventories of finished goods and work in process	(365,575)	(284,703)	(105,800)	(140,385)
Purchases of goods for resale	358,235	245,258	1,540,996	266,953
Depreciation and amortisation	231,877	208,739	156,452	146,352
Salaries, wages and other employee benefits	267,392	205,319	227,293	184,671
Transportation expenses	152,696	80,567	119,819	76,024
Repair and maintenance expenses	159,793	135,499	120,835	106,703
Professional fees	36,333	27,469	31,355	23,809
Utility expenses	26,365	22,994	16,038	16,952

26. Income tax

Income tax for the years ended 31 December 2025 and 2024 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Current income tax:				
Current income tax charge	(58,458)	(19,991)	(57,373)	(19,543)
Deferred tax:				
Relating to origination and reversal of temporary differences	34,505	(20,475)	1,916	(10,183)
Income tax reported in profit or loss	(23,953)	(40,466)	(55,457)	(29,726)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Deferred tax relating to remeasurement gain (loss) on defined benefit plan	(785)	95	(765)	87
Total	(785)	95	(765)	87

The reconciliation between accounting profit and income tax is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Accounting profit before income tax	702,844	300,088	583,776	443,727
Income tax rate	20 percent	20 percent	20 percent	20 percent
Accounting profit multiply by income tax rate	(140,569)	(60,017)	(116,755)	(88,746)
Previously deductible temporary differences and unrecognised tax losses that is used to reduce the current tax expenses	20,282	-	-	-
Previously unrecognised tax losses are recorded as deferred tax assets in the current year	36,314	-	-	-
Deductible temporary differences and tax losses incurred in the current year that have not been recorded as deferred tax assets in the current year	-	(25,678)	-	-
Effects of:				
Promotional privileges (Note 27)	64,318	47,117	61,919	47,117
Non-deductible expenses	(2,294)	(1,096)	(621)	(1,096)
Tax exempt income	-	-	-	12,999
Others	(2,004)	(792)	-	-
Total	116,616	45,229	61,298	59,020
Income tax reported in profit or loss	(23,953)	(40,466)	(55,457)	(29,726)

The components of deferred tax assets and deferred tax liabilities as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Deferred tax assets				
Allowance for reduction cost of inventories	5,484	655	2,577	649
Deficits from revaluation of fixed assets	11,374	15,060	-	-
Deferred government grant	2,710	3,011	-	-
Provision for employee benefits	6,369	5,108	6,014	4,821
Unused tax loss	36,324	4,461	-	-
Others	42	53	42	53
Total	62,303	28,348	8,633	5,523
Deferred tax liabilities				
Right under power purchase agreements	16,347	18,068	-	-
Surplus from revaluation of fixed assets	16,739	16,739	-	-
Leases	3,967	3,582	3,697	3,268
Total	37,053	38,389	3,697	3,268
Deferred tax assets (liabilities) in statement of financial position are as follow:				
Deferred tax assets	46,962	9,706	4,936	2,255
Deferred tax liabilities	(21,712)	(19,747)	-	-
Total	25,250	(10,041)	4,936	2,255

As at 31 December 2024, the Group had unused tax losses of Baht 283 million (2025: Nil) for which it did not recognise deferred tax assets as it considered that sufficient future taxable profits may not be available to utilise the tax losses.

The unused tax losses amount to Baht 182 million and will gradually expire by 2027.

27. Promotional privileges

The Group was granted investment promotional privileges by the Board of Investment. Significant tax privileges granted to the companies are summarised below.

	Promotion certificate no.	Exemption from corporate income tax on net profit	Terminated
Smothong Group Public Company Limited			
Generation of electricity from biogas	60-0009-0-13-2-2[1]	27 January 2016	27 January 2024
Manufacture of crude palm oil	60-0011-0-00-1-2[2]	29 April 2018	29 April 2026
Manufacture of crude palm oil	61-0074-1-00-1-0[3]	19 January 2019	19 January 2024
Manufacture of crude palm oil	64-0828-1-00-1-0[3]	2 April 2024	2 April 2027
Mitprasong Greenpower Company Limited			
Generation of electricity from biogas	58-2645-1-00-1-0[2]	30 November 2016	30 November 2024
Generation of electricity from biogas	64-0431-1-00-1-0[2]	8 September 2021	8 September 2029
A L Palm Company Limited			
Manufacture of crude palm oil	2266(2)/2555[2]	11 December 2014	10 December 2022
Generation of electricity from biogas	2222(1)/2557[2]	18 April 2016	17 April 2024
Manufacture of crude palm oil	67-1989-200-1-0[3]	Not yet operation	-

(1) Exemption from corporate income tax on net profit for a period of 8 years commencing from the date income is first derived income from that business operation, and a 50 percent reduction of the normal rate of corporate income tax for a period of 5 years commencing from the expiry date of the exemption of corporate income tax

(2) Exemption from corporate income tax on net profit for a period of 8 years commencing from the date income is first derived from that business operation

(3) Exemption from corporate income tax on net profit for a period of 5 years commencing from the date income is first derived from that business operation

As a BOI promoted company, the Group must comply with certain conditions and restrictions stipulated in the investment promotion certificates.

The Company's operating revenues for the years ended 31 December 2025 and 2024, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Separate financial statements	
	2025	2024
Promoted operations	3,673,965	3,861,820
Non-promoted operations	5,271,951	2,143,838
Total	8,945,916	6,005,658

28. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year. The Company has calculated the weighted average number of ordinary shares outstanding during the current year and restated the basic earnings per share for the comparative period to reflect the impact of the change in the par value of ordinary shares, as described in Note 23 to the interim financial statements. The adjustment was made as if the change in the number and par value of ordinary shares had occurred at the beginning of the earliest year presented.

Basic earnings per share for the year ended 31 December 2025 and 2024 are calculated as follows.

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Earnings per share				
Profit attributable to equity holders of the Company (Thousand Baht)	678,916	259,641	528,319	414,001
Weighted average number of ordinary shares (Thousand shares)	724,568	688,400	724,568	688,400
Earnings per share per shares (Baht per share)	0.94	0.38	0.73	0.60

29. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

(1) Crude palm oil segment is a segment that is engaged in manufacture and distribution of crude palm oil, palm kernel shell and its by product.

(2) The generation and distribution of electricity segment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2025 and 2024.

(Unit: Thousand Baht)

	Crude palm oil segment		The generation and distribution of electricity segment		Elimination of inter-segment revenues		Consolidated financial statements	
	2025	2024	2025	2024	2025	2024	2025	2024
Revenues from external customers	9,711,300	6,133,192	166,146	119,641	-	-	9,877,446	6,252,833
Inter-segment revenues	2,523	1,938	-	-	(2,523)	(1,938)	-	-
Total revenues	9,713,823	6,135,130	166,146	119,641	(2,523)	(1,938)	9,877,446	6,252,833
Segment profit	831,342	498,716	84,387	31,361	2,523	1,938	918,250	532,015
Unallocated income and expenses:								
Other income							12,558	7,328
Revenue from insurance claim compensation							44,540	932
Gain from exchange rate							37,258	7,689
Administrative expenses							(252,996)	(201,678)
Finance income							1,739	2,294
Finance cost							(58,506)	(48,492)
Profit before income tax							702,981	300,088
Income tax							(23,953)	(40,465)
Profit for the year							678,890	259,623

Geographic information

Revenue from sales of good and electricity are summarised base on as geographic segment as below.

(Unit: Thousand Baht)

	2025	2024
Domestic segment	4,788,877	3,965,882
Foreign segment	5,088,569	2,286,951
Total	9,877,446	6,252,833

Major customers

In 2025, the Group generated revenue from three major customers amounting to Baht 1,949 million, Baht 1,551 million and Baht 1,016 million, from sales in the crude palm oil segment (2024: revenue from three major customers amounting to Baht 1,197 million, Baht 1,005 million and Baht 994 million also arising from sales in the crude palm oil segment).

30. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and its employees contribute to the fund monthly at the rates of 5 percent and 5 to 15 percent of basic salary, respectively. The fund, which is managed by Principal Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2025 amounting to approximately Baht 4 million (2024: Baht 3 million) (the Company only: Baht 3 million, 2024: Baht 3 million) were recognised as expenses.

31. Dividend

Dividend	Approved by	Total dividend (Million Baht)	Dividend per share (Baht per share)
Interim dividend for 2025	Board of Directors' meeting on 13 August 2025	172	0.25
	Board of Directors' meeting on 12 November 2025	138	0.15
Total for 2025		310	0.40
Interim dividend for 2024	Board of Directors' meeting on 3 September 2024	120	17.5
Total for 2024		120	17.5

32. Commitments and contingent liabilities

32.1 Capital commitments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Capital commitments				
Construction of buildings and acquisition of machinery and equipment	70	62	55	43
Acquisition of computer software	-	3	-	3
Guarantees				
Letter of guarantee - utility system	2	2	2	1
Letter of guarantee - power purchase agreement	1	1	-	-

32.2 Letter of credit commitments

As at 31 December 2024, the Company had commitments related to letters of credit with overseas suppliers of approximately USD 2.2 million (2025: Nil).

32.3 Significant agreements

The Group entered into the Power Purchase Agreement with the Provincial Electricity Authority to sell electricity at the quantity and price as specified in the agreements as follows:

Company	Agreement date	Contracted capacity (Megawatt)
Smothong Group Public Company Limited	12 December 2013	5.7
Mitprasong Greenpower Company Limited	21 March 2012	5.0
A L Palm Company Limited	30 January 2015	2.0

The term of the agreement is 5 years and will be automatically renewed for a further period of 5 years unless a notice to terminate the agreement is provided.

32.4 Litigation

32.4.1 During the year 2018, the Company was involved in an interpleader case with respect to the environment, in which it was alleged that villagers had suffered air pollution due to the Company's palm oil factory in Saraburi. The Central Administrative Court issued an order the revocation of the stay of execution for the Company's factory license until the pollution was eliminated in compliance with the notification of the Ministry of Industry.

During the year 2019, the Company submitted a statement to the Central Administrative Court to clarify the operational plan and facts. The Company submitted monthly reports to the Saraburi Provincial Industry Office documenting the progress of its efforts to improve the Saraburi factory. The Company had finished the improvement of the odor treatment system, the elimination of air pollution, and the sound reduction system and submitted a request to the Saraburi Provincial Industry Office to conduct a test run of the machinery.

During the year 2020, the Company submitted a letter to the Central Administrative Court requesting permission for a test run of its machinery, following approval granted by the Department of Industrial Works. On 16 September 2020, the Central Administrative Court granted the Company an approval for the test run of the machinery under the supervision of Court officials and appointed specialists. Following the completion of the test run, the Company prepared a report on the environmental impact assessment, which demonstrated that the results were in compliance with applicable standards and regulations.

During the year 2021, the Company petitioned the Central Administrative Court to revoke the stay of execution on its factory license. Subsequently, on 2 August 2023, the Central Administrative Court ordered the revocation of the stay of execution for the Company's factory license. The court mandated the Company to measure pollution values every 60 days and submit the report to the director of Saraburi Industrial Permit Services Division and to the court from the date of revocation order issued by the court until the court rendered a final judgment or other order. The Company submitted the pollution measurement results within the timeline specified by the court. The results from each measurement met applicable regulatory standards.

On 17 September 2024, the Central Administrative Court ruled to dismiss the revocation of the Ror Ngor 4 and A1 licenses, requiring the Company to report the results of this action to the Administrative Court every 60 days (for a total of 3 times). Subsequently, on 11 October 2024, the plaintiff filed an appeal against the ruling to the Supreme Administrative Court.

During the year 2025, the Company submitted an amendment to the appeal and a clarification statement in response to the plaintiff's petition to the Supreme Administrative Court. The case is currently under consideration by the Court. In the meantime, the Company continues to operate its palm oil mill as usual. The management believes that the appeal will not result in any adverse impact on the Company.

32.4.2 On 1 October 2024, the Company was sued for damages related to the cancellation of an agreement for the purchase of assets from an unrelated party, totaling Baht 38 million. On 20 March 2025, the Company entered into a settlement agreement and agreed to pay damages of Baht 0.5 million, which was fully paid in April 2025.

33. Fair value hierarchy

As at 31 December 2025 and 2024, the Group had the assets and liabilities that were measured and disclosed at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Liabilities measured at fair value								
Derivatives - interest rate swaps	-	-	210	264	-	-	210	264
Assets for which fair value are disclosed								
Investment properties	-	-	218,031	218,031	11,310	-	229,341	218,031

(Unit: Thousand Baht)

	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Liabilities measured at fair value								
Derivatives - interest rate swaps	-	-	210	264	-	-	210	264
Assets for which fair value are disclosed								
Investment properties	-	-	73,601	73,601	32,590	21,280	106,191	94,881

34. Financial instruments

34.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other current receivables, loans to related parties, restricted bank deposits, short-term loans from financial institutions, other short-term loans, trade and other current payables, long-term loans from financial institutions and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other current receivables, deposits with banks, loans to related parties and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties.

The credit risk is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk comprising foreign currency risk, interest rate risk and risk from change in raw material prices.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily sales of goods and purchases of machinery that are denominated in foreign currencies.

As at 31 December 2025 and 2024, the balances of financial liabilities denominated in foreign currencies are summarised below.

	Consolidated financial statements/ Separate financial statements			
Foreign currency	Financial liabilities		Average selling rate	
	2025	2024	2025	2024
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	0.2	31.7436	34.1461

Foreign currency sensitivity

The Group considers that the sensitivity of the Group's profit before tax to a reasonably possible change in exchange rates affected as at 31 December 2025 and 2024 are not material.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, short-term loans to related parties, short-term loans from financial institutions, other short-term loans, long-term loans from financial institutions and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Group manages its certain interest rate risk by entered into interest rate swaps in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2025 and 2024, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

	Consolidated financial statements													
	As at 31 December													
	Fixed interest rates													
	Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total		Effective interest rate	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
													(Percent per annum)	
Financial assets														
Cash and cash equivalents	295	184	-	-	-	-	678,163	303,320	44,487	43,846	722,945	347,350	0.15 - 1.20	0.15 - 0.90
Trade and other current receivables	-	-	-	-	-	-	-	-	117,030	146,084	117,030	146,084	-	-
Restricted bank deposits	10,000	10,000	-	-	-	-	108,700	100,200	-	-	118,700	110,200	0.15 - 1.20	0.15 - 0.90
	10,295	10,184	-	-	-	-	786,863	403,520	161,517	189,930	958,675	603,634		
Financial liabilities														
Short-term loans from financial institutions	-	4,029	-	-	-	-	490,000	850,000	-	-	490,000	854,029	1.85 - 2.45	3.00 - 3.55
Other short-term loans	-	-	-	-	-	-	-	-	-	150,000	-	150,000	-	-
Trade and other current payables	-	-	-	-	-	-	-	-	102,102	85,928	102,102	85,928	-	-
Long-term loans from financial institutions	-	-	-	-	-	-	619,066	744,860	-	-	619,066	744,860	(1), (2)	
Lease liabilities	33,881	31,111	68,464	71,101	23,942	9,738	-	-	-	-	126,287	111,950	2.00 - 6.09	3.00 - 6.13
	33,881	35,140	68,464	71,101	23,942	9,738	1,109,066	1,594,860	102,102	235,928	1,337,455	1,946,767		

(1) MLR less fixed rate per annum

(2) THOR plus spread not less than 2 percent per annum

(Unit: Thousand Baht)

	Separate financial statements													
	As at 31 December													
	Fixed interest rates													
	Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total		Effective interest rate	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
													(Percent per annum)	
Financial assets														
Cash and cash equivalents	295	184	-	-	-	-	657,362	287,756	27,352	34,564	685,009	322,504	0.15 - 1.20	0.15 - 0.90
Trade and other current receivables	-	-	-	-	-	-	-	-	102,785	143,987	102,785	143,987	-	-
Short-term loans to related parties	182,600	119,600	-	-	-	-	-	-	-	-	182,600	119,600	4.75	5.10
Long-term loans to related party	81,432	47,502	325,728	325,728	115,338	46,770	-	-	-	-	522,498	420,000	4.75	5.10
Restricted bank deposits	10,000	10,000	-	-	-	-	99,000	100,000	-	-	109,000	110,000	0.15 - 1.20	0.15 - 0.90
	274,327	177,286	325,728	325,728	115,338	46,770	756,362	387,756	130,137	178,551	1,601,892	1,116,091		
Financial liabilities														
Short-term loans from financial institutions	-	4,029	-	-	-	-	300,000	750,000	-	-	300,000	754,029	1.85 - 2.05	3.00 - 3.55
Trade and other current payables	-	-	-	-	-	-	-	-	82,185	67,906	82,185	67,906	-	-
Long-term loans from financial institutions	-	-	-	-	-	-	592,081	681,792	-	-	592,081	681,792	(1), (2)	
Lease liabilities	30,926	29,730	57,565	65,682	19,248	7,237	-	-	-	-	107,739	102,649	2.00 - 6.09	3.00 - 6.11
	30,926	33,759	57,565	65,682	19,248	7,237	892,081	1,431,792	82,185	67,906	1,082,005	1,606,376		

(1) MLR less fixed rate per annum

(2) THOR plus spread not less than 2 percent per annum

Interest rate sensitivity

The Group considers that the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate affected as at 31 December 2025 and 2024 are not material.

Risk from changes in raw material prices

The Group is affected by the fluctuations in prices of raw materials since its operating activities require continuous supply of palm fruit. Therefore, the Group is exposed to risk of the actual price of palm fruit deviating from the forecast price.

The Group determined that the risk related to price of raw material is low because they were able to negotiate with their customers to adjust the selling price to align with the changes in the price of palm fruit.

Liquidity risk

The Group monitors the risk of a shortage of liquidity and has access to a sufficient variety of sources of funding to ensure that the Group has sufficient cash for operation.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2025 and 2024 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements							
	Less than 1 year		1 to 5 years		Over 5 years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Non-derivatives								
Short-term loans from financial institutions	491,147	857,362	-	-	-	-	491,147	857,362
Other short-term loans	-	150,000	-	-	-	-	-	150,000
Trede and other current payables	102,102	85,928	-	-	-	-	102,102	85,928
Long-term loans from financial institutions	268,537	200,306	362,331	534,229	32,623	89,705	663,441	824,240
Lease liabilities	38,950	35,557	77,664	78,116	31,263	11,475	147,877	125,148
Total non-derivatives	900,736	1,329,153	439,995	612,345	63,886	101,180	1,404,617	2,042,678
Derivatives								
Derivative liabilities: net settled	210	264	-	-	-	-	210	264
Total derivatives	210	264	-	-	-	-	210	264

(Unit: Thousand Baht)

	Separate financial statements							
	Less than 1 year		1 to 5 years		Over 5 years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Non-derivatives								
Short-term loans from financial institutions	300,809	757,041	-	-	-	-	300,809	757,041
Trade and other current payables	82,185	67,906	-	-	-	-	82,185	67,906
Long-term loans from financial institutions	244,461	165,232	358,860	503,397	32,623	89,705	635,944	758,334
Lease liabilities	35,159	33,625	64,854	71,351	25,973	8,618	125,986	113,594
Total non-derivatives	662,614	1,023,804	423,715	574,748	58,596	98,323	1,144,924	1,696,875
Derivatives								
Derivative liabilities: net settled	210	264	-	-	-	-	210	264
Total derivatives	210	264	-	-	-	-	210	264

34.2 Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

35. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value, including maintain financial conditions as stipulate in the loan agreements. The Group has maintained those conditions thoughout reporting period.

As at 31 December 2025 and 2024, the Group's debt-to-equity ratio are summarised below:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Debt-to-equity ratio	0.47:1	1.36:1	0.40:1	1.11:1

36. Events after the reporting period

On 26 February 2026, the meeting of Company's Board of Directors passed a resolution to approve a dividend payment for 2025 in respect of retain earnings to the shareholders of Baht 0.20 per share, totaling of Baht 184 million. This will be proposed to the Annual General Meeting of the Company's shareholders for approval.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2026.

Independent Auditor's Report

To the Shareholders of Smothong Group Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Smothong Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Smothong Group Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Smothong Group Public Company Limited and its subsidiaries and of Smothong Public Group Company Limited as at 31 December 2025, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independent Auditor's Report

To the Shareholders of Smothong Group Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Smothong Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Smothong Group Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Smothong Group Public Company Limited and its subsidiaries and of Smothong Public Group Company Limited as at 31 December 2025, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

SMO

SMOTHONG GROUP PUBLIC COMPANY LIMITED

4

Enclosures

Annual Report 2025 (Form 56-1 One Report)

Attachment 1:

1.1 Details of Directors, Executives, Person in authority, the Highest Ranked Person in Accounting and Finance, the Person Directly Responsible for Account Supervision, and the Company Secretary

Mr. Surachai Chitratsenee
- Chairman of the Board of Directors
- Chairman of the Risk Management Committee

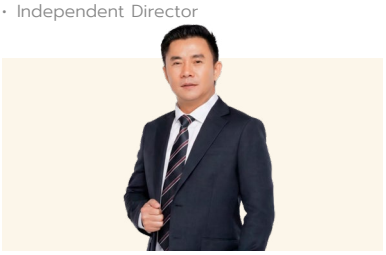
Mr.Seksak Piriyetyanggoon
- Vice Chairman of the Board of Directors
- Member of the Risk Management Committee
- Member of the Executive Committee
- Managing Director - Factory Operations

Mr.Tepakul Poonlarp
- Director
- Chairman of the Audit Committee
- Member of the Nomination and Remuneration
- Independent Director

Mr.Boonma Phonthanakornku
- Director
- Chairman of the Nomination and Remuneration Committee
- Member of the Audit Committee
- Independent Director

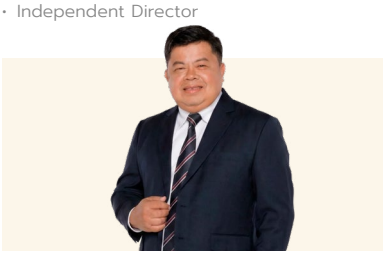
Mr.Weerayuth Sajjaphanroj
- Director
- Member of the Risk Management Committee
- Independent Director

Mr.Artong Srihiran
- Director
- Member of the Audit Committee
- Member of the Risk Management Committee
- Independent Director



Mr.Kittipong Puangmala
- Director
- Member of the Nomination and Remuneration Committee
- Chairman of the Executive Committee
- Chief Executive Officer (CEO)

Mr.Johson Lim
- Director
- Member of the Risk Management Committee
- Member of the Executive Committee
- Managing Director - Innovation and International Trade



Mr.Kusol Sripaoraya
- Director
- Member of the Risk Management Committee
- Member of the Executive Committee
- Chief Financial Officer (CFO)

Mr. Sakda Thongrong
- Senior Executive Vice President (SEVP) - Office

Ms. Paksinan Boonsong
- Senior Executive Vice President (SEVP) - Domestic Sales and Marketing

Ms. Kanya Nakplad
- Vice President (VP) of Accounting and Finance (Accounting)

Ms. Thanamas Teparos
- Company Secretary

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
1.	**Mr. Surachai Chitratsenee** • Chairman of the Board of Directors • Chairman of the Risk Management Committee • Non-Executive and Non-Independent Director Former Name None Date of Appointment: February 16, 2023	75	**Master's Degree:** Economics, The State University of New York at Binghamton, USA **Bachelor's Degree:** Economics, Central Missouri State University, USA **Training** • Director Certification Program (DCP), Class 102/2008 • Advanced Audit Committee Program (AACP), Class 33/2019 • Role of the Chairman Program (RCP), Class 53/2023	-none-	0.02%	2023 - Present	Chairman of the Board of Directors / Chairman of the Risk Management Committee Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation for sale to the Provincial Electricity Authority (PEA).	☑	
						2005 - 2008	Senior Executive Vice President SME Banking Group and Acting Retail Banking Group CIMB Thai Bank Public Company Limited	Commercial Bank	☑	

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
2.	**Mr.Seksak Piriyetyanggoon** • Vice Chairman of the Board of Directors • Member of the Risk Management Committee • Member of the Executive Committee • Managing Director - Factory Operations • Executive Director Former Name None Date of Appointment January 4, 2017 (Merger Date)	52	**Bachelor's Degree:** Bachelor of Engineering (Electrical Engineering), Assumption University **Training** • Company Secretary Program (CSP), Class 75/2016 • Director Certification Program (DCP), Class 236/2017 • Director Leadership Certification Program (DLCP), Class 14/2024	-none-	3.24% (Direct) / 19.00% (Combined with related persons)	2023 – Present	Vice Chairman of the Board of Directors / Member of the Risk Management Committee	Manufacture and distribution of crude palm oil and related products, and biogas power generation for sale to the Provincial Electricity Authority (PEA).	☑	
						2017 – Present	Managing Director (MD) - Factory Operations / Member of the Executive Committee Smothong Group Public Company Limited			
						2024 – Present	Director / Managing Director (MD) - Factory Operations	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.		☑
						2020 – Present	Director Sek Quick Cash Company Limited	Personal Loan		☑
						2019 – Present	Director Rung Nakorn Logistics Company Limited	Cargo transportation and handling services.		☑
						2019 – Present	Director Mit Logistics Company Limited	Cargo transportation and handling services.		☑
						2017 – Present	Director Thanapoom Concrete Company Limited	Distribution of Ready-Mixed Concrete		☑
						2018 – Present	Director / Managing Director (MD) - Factory Operations Mitprasong Green Power Company Limited	Biogas Power Generation and Distribution		☑
						2025 – Present	Director Team Evolution Company Limited	Not yet in commercial operation		☑

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
3.	Mr.Tepakul Poonlarp • Independent Director • Chairman of the Audit Committee • Member of the Nomination and Remuneration Committee ormer Name None Date of Appointment February 16, 2023	55	Bachelor's Degree: Bachelor of Engineering (Industrial Engineering), Khon Kaen University Training • Director Accreditation Program (DAP), Class 68/2008 • How to Develop a Risk Management Plan (HRP), Class 20/2018 • Role of the Chairman Program (RCP), Class 45/2019 • Director Certification Program (DCP), Class 300/2020 • Advanced Audit Committee Program (AACP), Class 55/2025 • Chairman Forum 2017: "The Role of Chairman in Leading Strategic Risk Oversight" • CMA Senior Executive Program, Class 33 (CMA 33)	-none-	0.11% (Direct) / 0.16% (Combined with related persons)	2023 – Present	Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						2022 – Present	Chairman of the Board of Directors / Independent Director / Chairman of the Audit Committee Chuwit Farm (2019) Public Company Limited Chairman of the Board of Directors S.P. Auto Corporation Company Limited	Livestock farming, specifically broiler chicken farming, is under a price-guaranteed contract farming model. Automotive wiring harness and other automotive accessories.	☑	
						2018 – Present	Independent Director / Chairman of the Risk Management Committee Northeast Rubber Public Company Limited	Manufacture and distribution of ribbed smoked sheets (RSS), block rubber, and compounded rubber for the automotive industry.		☑
						2014 – 2024	Chairman of the Board of Directors / Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee Home Pottery Public Company Limited	Manufacturer and distributor of international standard ceramic tableware.	☑	

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
4..	Mr.Boonma Phonthanakornku • Independent Director • Chairman of the Nomination and Remuneration Committee • Member of the Audit Committee • Director Former Name Mr. Boonma Saekong Date of Appointment: February 16, 2023	63	Bachelor's Degree: Bachelor of Business Administration (Finance), Dhurakij Pundit University Training • Director Certification Program (DCP), Class 234/2017 • Board Nomination and Compensation Program (BNCP), Class 18/2023 • Advanced Audit Committee Program (AACP), Class 52/2024	-none-	0.01%	2023 – Present	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						2019 – 2022	Senior Executive Vice President, Oil Retail Business PTT Oil and Retail Business Public Company Limited (OR)	Wholesale of liquid fuels	☑	

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
5.	**Mr.Weerayuth Sajjaphanroj** • Independent Director • Member of the Risk Management Committee • Director Former Name None Date of Appointment : February 16, 2023	63	**Master's Degree:** Master of Laws (LL.M.), Thammasat University **Bachelor's Degree:** Bachelor of Laws (LL.B.), Ramkhamhaeng University **Training** • Director Certification Program (DCP), Class 257/2018 • Advanced Audit Committee Program (AACP), Class 30/2018 • Senior Executive Program in Politics and Electoral Development, Class 11 (CPE 11), 2021	-none-	0.01%	2023 – Present	Independent Director / Member of the Risk Management Committee Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						2019 – Present	Senior Partner ES Counsel Company Limited	Providing legal advice, consultancy, and general legal services		☑
						2017 – Present	Director 28 Law Office Company Limited	Legal advisory and consultancy services.		☑
						2012 – Present	Guest Lecturer Bangkok University	University		☑
						2564 - 2568	Director Finfinite Asset Company Limited	Other Credit Provisioning		☑

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
6.	Mr.Artong Srihiran • Independent Director • Member of the Audit Committee • Member of the Risk Management Committee • Director Former Name None Date of Appointment : February 16, 2023	62	**Master's Degree:** Business Management, University of La Verne, CA, USA **Bachelor's Degree:** Bachelor of Economics, Kasetsart University **Training** • Director Certification Program (DCP), Class 200/2015 • Successful Formulation & Execution of Strategy (SFE), 2015 • Director Accreditation Program (DAP), Class 187/2021 • Risk Management Program for Corporate Leader (RCL), Class 35/2024 • Advanced Audit Committee Program (AACP), Class 52/2024	-none-	0.03%	2023 – Present	Independent Director / Member of the Audit Committee / Member of the Risk Management Committee Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						2021 – Present	Independent Director / Member of the Audit Committee / Chairman of the Risk Management Committee Suntech Steel Works Public Company Limited	Wholesale of iron, steel, and primary non-ferrous metals.		☑
						2021 – 2025	Independent Director / Member of the Audit Committee Larch and Laurel Company Limited	Engineering activities and related technical consultancy.		☑
						2005 – 2021	Assistant Managing Director Thanachart Securities Public Company Limited	Securities brokerage activities.		☑

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
7.	**Mr.Kittipong Puangmala** • Chief Executive Officer (CEO) • Chairman of the Executive Committee • Member of the Nomination and Remuneration Committee • Executive Director • Director Former Name None Date of Appointment January 4, 2017 (Merger Date)	47	**Master's Degree:** Master of Business Administration (M.B.A.), Bangkok University **Bachelor's Degree:** Bachelor of Business Administration (B.B.A.), Ramkhamhaeng University **Others:** Higher Vocational Certificate in Power Electrical (Mechanical Branch), Thai Cement Memorial Highway Technical College **Training** • Successful Formulation & Execution of Strategy (SFE), Class 46/2024 • Board Nomination and Compensation Program (BNCP), Class 2/2017 • Director Certification Program (DCP), Class 231/2016 • Strategic CFO in Capital Markets • IPO Roadmap (CEO Executive Program), Class 3 • IR Fundamental Course (Investor Relations), Class 3	-none-	8.31% (Direct) / 20.72% (Combined with related persons)	2023 – Present 2017 – Present	Member of the Nomination and Remuneration Committee Director / Chairman of the Executive Committee / Chief Executive Officer (CEO) Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						2024 – Present	Director / Chief Executive Officer (CEO) A L Palm Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.		☑
						2014 – Present	Director Team Evolution Company Limited	Not yet in commercial operation		☑
						2018 – Present	Director / Chief Executive Officer (CEO) Mitprasong Green Power Company Limited	Generation and distribution of electricity from biogas.		

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
			• -Advanced Agriculture Management Program (AAMP), Class 5 (Ministry of Agriculture and Agricultural Cooperatives) • -Advanced Management Program (AMP), Class 9 (National Institute of Development Administration - NIDA) • -Young Thailand-China Executive Program, Class 4 (Thai-Chinese Leadership Institute, Huachiew Chalermprakiet University) • -New Era Energy Management Program (YEP), Class 8 (Thailand Energy Academy - TEA) • -Energy Executive Program, Class 5 (2019) • -CFO Certification Program, Class 23 (Federation of Accounting Professions) • -Lean for Sustainable Growth, Class 20 (TMBThanachart Bank)							

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
8.	**Mr.Johson Lim** • Managing Director - Innovation and International Trade • Member of the Executive Committee • Member of the Risk Management Committee • Executive Director • Director Former Name None Date of Appointment January 4, 2017 (Merger Date)	59	**Bachelor's Degree:** Bachelor of Science in Business (Finance, Account, Economic), Oklahoma State University (USA) **Training** • Boardroom Finance: 3 Financial Measures That Matter Workshop, 2024 • Director Accreditation Program (DAP), Class 173/2020 • Strategic Board Master Class (SBM), Class 3/2018 • Director Certification Program (DCP), Class 232/2016 • Trends and Directions of M&A: Key Issues and Strategies, 2021 • IPO Roadmap (CEO Executive Program), 2018 • IPO Focus: A course for companies prepared for upcoming IPOs, 2016 • The Boss 90: The Ultimate Leader, Class 90/2020 (Management and Psychology Institute - MPI)	-none-	5.90% (Direct) / 18.19% (Combined with related persons)	2023 – Present 2017 – Present	Member of the Risk Management Committee Director / Member of the Executive Committee / Managing Director of Innovation and International Trade Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						2024 – Present	Director / Managing Director of Innovation and International Trade A L Palm Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.		☑
						Year 2018 – Present	Director Sichon Glamping Company Limited	Marine aquaculture, hotels, and resorts.		☑
						Year 2014 – Present	Director Team Evolution Company Limited	There has been no commercial operation to date.		☑
						Year 2018 – Present	Director / Managing Director of the Innovation and International Trade Division Mitprasong Green Power Company Limited	Generation and distribution of electricity from biogas.		☑

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
9.	Mr.Kusol Sripaoraya • Chief Financial Officer (CFO) • Member of the Executive Committee • Member of the Risk Management Committee • Executive Director • Director Former Name None Date of Appointment January 4, 2017 (Merger Date)	62	Master's Degree: Master of Economics National Institute of Development Administration Bachelor's Degree: Bachelor of Economics Ramkhamhaeng University Training • Director Certification Program (DCP), Class 257/2018 • How to Develop a Risk Management Plan (HRP), Class 20/2018 • Advanced Audit Committee Program (AACP), Class 47/2023 • Strategic Chief Financial Officer in Capital Markets, Class 5/2017 • The Stock Exchange of Thailand • e-learning Chief Financial Officer's Refresher (Thai Language), Year 2025 The Stock Exchange of Thailand	-none-	0.54% (Direct) / 0.85% (Combined with related persons)	Year 2023 – Present Year 2017 – Present	Member of the Risk Management Committee Director / Member of the Executive Committee / Chief Financial Officer Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						Year 2024 – Present	Director / Chief Financial Officer AL Palm Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.		☑
						Year 2018 – Present	Director Permsin Steel Works Public Company Limited	Processing and distribution of all types of steel sheets.	☑	
						Year 2018 – Present	Director / Chief Financial Officer Mitprasong Green Power Company Limited	Generation and distribution of electricity from biogas.		☑
						Year 2025 – Present	Director Team Evolution Company Limited	There has been no commercial operation to date.		☑

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
10.	**Mr. Sakda Thongrong** • Senior Executive Vice President (SEVP) - Office Former Name None Date of Appointment January 4, 2017 (Merger Date)	57	**Master's Degree:** Master of Business Administration (MBA) Ramkhamhaeng University **Bachelor's Degree:** Bachelor of Engineering (Industrial Engineering) Rajamangala University of Technology (Bangkok Campus) **Training** • Director Certification Program (DCP), Class 236/2017 • Company Reporting Program (CRP), Class 16/2016 • Company Secretary Program (CSP), Class 75/2016 • Board Reporting Program (BRP), Class 22/2017 • Effective Minutes Taking (EMT), Class 37/2017 • Risk Management Program for Corporate Leaders (RCL), Class 39/2025 • Board Nomination and Compensation Program (BNCP), Class 24/2025	-none-	2.60% (Direct) / 2.65% (Combined with related persons)	Year 2017 – Present	Senior Executive Vice President of the Office Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						Year 2024 – Present	Senior Executive Vice President of the Office AL Palm Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.		☑
						Year 2017 – Present	Director Ewigen Beauty and Cosmetics Company Limited	Retail store for cosmetic products.		☑
						Year 2018 – Present	Senior Executive Vice President of the Office Mitprasong Green Power Company Limited	Generation and distribution of electricity from biogas.		☑

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
11.	Ms. Paksinan Boonsong • Senior Executive Vice President (SEVP) - Domestic Sales and Marketing Former Name None Date of Appointment January 4, 2017 (Merger Date)	54	**Bachelor's Degree:** Bachelor of Management Science SCT Southern College of Technology **Other Qualifications** High Vocational Certificate in Accounting Thungsong Commercial College **Training** • Corruption Risk and Control Workshop (CRC), Class 3/2019 • Corporate Governance for Executives (CGE), Class 14/2019	-none-	0.06%	Year 2017 – Present	Senior Executive Vice President of the Domestic Sales and Marketing Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	
						Year 2024 – Present	Senior Executive Vice President of the Domestic Sales and Marketing AL Palm Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.		☑
						Year 2010 – Present	Senior Executive Vice President of the Domestic Sales and Marketing Mitprasong Green Power Company Limited	Biogas power generation business.		☑

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
12.	Ms. Kanya Nakplad • Vice President (VP) of Accounting and Finance (Accounting) Former Name None Date of Appointment January 4, 2017 (Merger Date)	45	Bachelor's Degree: Bachelor of Accountancy Tapi University Training • Director Accreditation Program (DAP), Class 237/2025			Year 2017 – Present	Vice President of Accounting and Finance (Accounting) (Chief Accountant) Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	

1.2 Details Regarding the Company Secretary and the Responsibilities of the Company Secretary

No.	Name - Surname / Position / Date of Appointment	Age (Years)	Educational Qualifications	Family Relationship among Management	Shareholding in the Company (%)	Work Experience during the Past 5 Years			Type of Business	
						Period	Position / Organization / Company Name	Type of Business	Listed Company	Non-Listed Company
1.	Ms. Thanamas Teparos • Company Secretary Former Name None Date of Appointment February 7, 2023	33	Bachelor's Degree: Bachelor of Economics, Chulalongkorn University Training • Company Secretary Program (CSP), Class 109/2020 • Company Reporting Program (CRP), Class 27/2020 • Effective Minutes Taking (EMT), Class 48/2020 • Board Reporting Program (BRP), Class 33/2020 • Director Accreditation Program (DAP), Class 237/2025 • Refreshment Training Program (RFP), Class 15/2024	-none-	0.04%	Year 2023 – Present Year 2018 – Present	Company Secretary Vice President of Accounting and Finance (Finance) Smothong Group Public Company Limited	Manufacture and distribution of crude palm oil and related products, and biogas power generation business.	☑	

1.3 Information Regarding Positions Held by Directors, Executives, and Controlling Persons of the Company, Subsidiaries, and Related Companies

1.3.1 Information Regarding Positions Held by Directors, Executives, and Controlling Persons of the Company and its Subsidiaries

List of Directors / Executives / Authority Persons		Positions in SMO (the Company)	Subsidiaries		
			1.	2.	3.
1. Mr.Surachai	Chitratsenee	C, D	-	-	-
2. Mr.Tepakul	Poonlarp	D, ID, CAC	-	-	-
3. Mr.Boonma	Phonthanakornku	D, ID, AC	-	-	-
4. Mr.Artong	Srihiran	D, ID, AC	-	-	-
5. Mr.Weerayuth	Sajjaphanroj	D, ID	-	-	-
6. Mr.Seksak	Piriyetyanggoon	D, ED, M	D, M	D	D, M
7. Mr.Kittipong	Puangmala	D, ED, M	D, M	D	D, M
8. Mr.Johson Lim	Mr.Johson Lim	D, ED, M	D, M	D	D, M
9. Mr.Kusol	Sripaoraya	D, ED, M	D, M	D	D, M
10. Mr.Sakda	Thongrong	M	M	-	M
11. Ms.Paksinan	Boonsong	M	M	-	M

Note: 1) C = Chairman of the Board, D = Director, ID = Independent Director,, CAC = Chairman of the Audit Committee, AC = Audit Committee Member, ED = Executive Director, M = Management

2) Subsidiaries are defined according to the criteria under common control in the Group's consolidated financial statements. The Company and its subsidiaries are audited/reviewed by the auditors from EY Office Limited.

1.3.2 Information Regarding Positions Held by Directors, Executives, and Controlling Persons in Related Companies

List of Directors / Executives / Controlling Persons	Related Companies												
	4.	5.	6.	7.	8.	9.	10.	11.	12	13	14	15	16
Mr.Surachai Chitratsenee	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr.Tepakul Poonlarp	-	-	-	-	-	-	-	-	-	C, D, ID, CAC	D, ID	C, D	-
Mr.Boonma Phonthanakornkul	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr.Artong Srihiran	-	-	-	-	-	-	-	-	-	-	-	-	D, ID, AC
Mr.Weerayuth Sajjaphanroj	-	-	-	-	-	-	-	-	D	-	-	-	-
Mr.Seksak Piriyetyanggoon	D	D	D	D	D	-	-	-	-	-	-	-	-
Mr.Kittipong Puangmala	-	-	-	D	-	-	-	-	-	-	-	-	-
Mr.Johson Lim	-	-	-	-	-	-	D	-	-	-	-	-	-
Mr.Kusol Sripaoraya	-	-	-	D	-	D	-	-	-	-	-	-	-
Mr.Sakda Thongrong	-	-	-	-	-	-	-	D	-	-	-	-	-
Ms.Paksinan Boonsong	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: 1) C = Chairman of the Board, D =Director, ID = Independent Director, CAC = Chairman of the Audit Committee, AC = Audit Committee Member, ED = Executive Director, M = Management

1.3.3 List of Subsidiaries and Related Companies

Company Name	Nature of Business
Subsidiaries	
1. Mitprasong Green Power Co., Ltd.	Generation and distribution of electricity from biogas fuel.
2. Team Evolution Co., Ltd.	No commercial operations to date.
3. AL Palm Co., Ltd.	Production and distribution of crude palm oil and related products, and generation of electricity from biogas fuel for sale to the Provincial Electricity Authority (PEA).
Related Companies	
4. Mit Logistics Co., Ltd.	Transportation and cargo handling services.
5. Rungnakorn Logistics Co., Ltd.	Transportation and cargo handling services.
6. Thanapoom Concrete Co., Ltd.	Production and distribution of ready-mixed concrete.
7. Sek Quick Cash Co., Ltd.	Provincial retail lending business under supervision (Picofinance).
8. Boonsong Yanyont Limited Partnership	Distribution of motorcycles and motorcycle spare parts.
9. Permsin Steel Works Public Company Limited	Processing and distribution of hot-rolled and cold-rolled steel, high-tensile galvanized steel, electro-galvanized steel, ceiling and wall stud frames, and color-coated steel roofing and wall panels.
10. Sichon Glamping Co., Ltd.	Marine aquaculture, hotels, resorts, and others.
11. Ewigen Beauty and Cosmetics Co., Ltd.	Production and distribution of cosmetic products.
12. 28 Law Office Co., Ltd.	Legal and litigation services.
13. Chuwt Farm (2019) Public Company Limited	Animal farming (e.g., poultry, swine, and cattle), operating livestock pens, and the distribution of animal products. Importing and exporting livestock, animal semen, equipment, tools, tissues, or materials necessary for breeding, raising, and trading animals.
14. Northeast Rubber Public Company Limited	Production and distribution of smoked rubber sheets, block rubber, and natural rubber products for domestic and international markets.
15. S.P. Auto Corporation Co., Ltd.	Automotive wiring harness and other automotive accessories business.
16. Larch and Laurel Public Company Limited	Providing integrated design, procurement, construction, and installation services (EPC).
17. Suntech Steel Works Public Company Limited	Sales of steel coils for the production of steel roofing.

Attachment 2:

Details of Directors, Executives, and Authorized Persons of Subsidiaries

List of Directors, Executives, and Authorized Persons		Subsidiaries		
		AL	MGP	TEAM
1. Mr. Seksak	Piriyetyanggoon	D, M	D, M	D
2. Mr. Kittipong	Puangmala	D, M	D, M	D
3. Mr. Johson	Lim	D, M	D, M	D
4. Mr. Kusol	Sripaoraya	D, M	D, M	D
Mr. Sakda	Thongrong	M	M	-
Ms. Paksinan	Boonsong	M	M	-
7. Mr. Phanit	Sealim	-	-	D
8. Mrs. Sopa	Klaytongkum	-	-	D
9. Mr. Jarat	Winothaka	-	-	D
10. Mr. Setthawat	Sealim	-	-	D

Note: C = Chairman of the Board of Directors, D = Director, ID = Independent Director, CAC = Chairman of the Audit Committee, AC = Audit Committee Member, ED = Executive Director, M = Management

Attachment 3:

Details of the Head of Internal Audit and the Head of Corporate Compliance

1. Details of the Head of Internal Audit

Smothong Group Public Company Limited has appointed D I A Audit Company Limited ("DIA") as the Company's internal auditor. In this regard, Mrs. Vilairat Rojnuckarin, the Managing Director of DIA, has been assigned as the primary person responsible for performing the internal control system audit and regularly reporting the audit results to the Audit Committee.

The Audit Committee has reviewed the qualifications of D I A Audit Company Limited and Mrs. Vilairat Rojnuckarin and believes that they are suitably qualified for such duties due to their independence and extensive experience in internal auditing. The profile of the Head of Internal Audit is as follows:

Name - Surname	Age (Years)	Educational Qualifications / Training Background	Family Relationships among Directors and Management	Shareholding in the Company (%)	Work Experience during the past 5 years			
					Period	Position	Company / Organization	Type of Business
Mrs. Vilairat Rojnuckarin	73	<u>Education:</u> • Post Graduate Diploma in Auditing, Chulalongkorn University • Bachelor of Accountancy, Chulalongkorn University Professional Licenses: • * Certified Public Accountant (CPA) Thailand, Registration No. 3104	None	None	1979 – Present	Managing Director	• Office of D I A Audit • D I A Audit Company Limited	Auditing, accounting system setup, management & tax consultancy, business registration, special audits, and internal audit services.
					1975 – 1979	Audit Supervisor	Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.	Auditing
					1975 – 1979	Accounting Lecturer	Assumption University, Faculty of Business Administration	University

Furthermore, the Company has established a supervisory system to ensure that the business operations of the Company and its subsidiaries comply with laws, rules, regulations, policies, and requirements of relevant regulatory authorities, such as the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Company has implemented a Corporate Governance Policy requiring the Board of Directors, the Audit Committee, senior management, and operational staff to strictly adhere to the law. Additionally, the Company communicates with employees to ensure they are aware of their duties and responsibilities in studying and understanding the laws and regulations relevant to their respective roles, ensuring full and strict compliance.

2. Head of Corporate Compliance

Samothong Group Public Company Limited has not yet officially appointed a dedicated Head of Corporate Compliance. However, Vice President, Accounting and Finance (Corporate Strategy), Ms. Wilawan Kaeowanpen, has been assigned to oversee compliance-related functions at present. This assignment is based on her comprehensive knowledge and expertise relevant to the scope of such work.

Attachment 4:

Assets Used in Business Operations and Details of Asset Appraisal

1. Assets Used in Business Operations

Main Fixed Assets Used in Business Operations

As of December 31, 2025, the Company's main fixed assets used in business operations had a total net book value of THB 2,179.49 million. The details are as follows:

Asset Type	Asset Characteristics	Ownership	Encumbrances	Net Book Value as of 31 Dec 2025 (THB Million)	Utilization
1. Land and Land Improvements	Tha Chana Branch Factory: 6 plots of Nor.Sor. 3 Kor., located in Prasong Sub-district, Tha Chana District, Surat Thani Province. Total area: 84 – 3 – 84 Rai	SMO	Mortgaged as collateral to a financial institution 5 plots	522.36	The location of the factory building and the surrounding land, Tha Chana Branch
	Land Title Deed No. 12802, located in Prasong Sub-district, Tha Chana District, Surat Thani Province. Total area 5 – 0 – 95.8 Rai	SMO	Mortgaged as collateral to a financial institution		Not yet in commercial use
	Land Title Deed No. 12142, located in Tha Ruea Sub-district, Ban Na Doem District, Surat Thani Province. Total area: 5 – 0 – 95.8 Rai	SMO	Mortgaged as collateral to a financial institution		The location of a large-scale purchasing center
	Phanom Branch Factory: 19 Land Title Deeds and 2 plots of Nor. Sor. 3 Kor., located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Total area: 414 – 2 -56 Rai	SMO	Mortgaged as collateral to a financial institution 11 plots		The location of the factory building and the surrounding land, Phanom Branch
	Land Title Deed No. 4389, located in Bang Sawan Sub-district, Phra Saeng District, Surat Thani Province. Total area: 6 – 1 – 49.9 Rai	SMO	Mortgaged as collateral to a financial institution		The location of a large-scale purchasing center
	Nor. Sor. 3 Kor. No. 134, located in Tha Ruea Sub-district, Ban Na Doem District, Surat Thani Province. Total area: 7 – 0 – 80 Rai	SMO			The location of a large-scale purchasing center
	Saraburi Branch Factory: 2 Land Title Deeds, located in Nong Kaew Sub-district, Nong Rong District, Saraburi Province. Total area: 146 – 1 – 67 Rai	SMO	Mortgaged as collateral to a financial institution		The location of the factory building and the surrounding land, Saraburi Branch
	21 plots of Nor.Sor. 3 Kor., located in Na Kratam Sub-district, Tha Sae District, Chumphon Province. Total area: 212 – 2 – 36 Rai	SMO			Not yet in commercial use

Asset Type	Asset Characteristics	Ownership	Encumbrances	Net Book Value as of 31 Dec 2025 (THB Million)	Utilization
	6 Land Title Deeds, located in Chang Sai Sub-district, Phra Phrom District, Nakhon Si Thammarat Province. Total area: 214 – 1 – 3 Rai	SMO	Mortgaged as collateral to a financial institution 1 plot		Land for factory construction, Phra Phrom Branch
	AL Factory: 30 Land Title Deeds, located in Thung Takrai Sub-district, Thung Tako District, Chumphon Province. Total area: 193 – 3 – 61 Rai	AL	Mortgaged as collateral to a financial institution 21 plots		AL Factory Site
	11 Land Title Deeds, located in Na Sak Sub-district, Sawi District, Chumphon Province. Total area: 52 – 0 – 73 Rai	AL	-		Surrounding area of AL Factory
	Land Title Deed No. 7255, located in Thung Takrai Sub-district, Thung Tako District, Chumphon Province. Total area: 5 – 3 – 12 Rai	AL	Mortgaged as collateral to a financial institution 30 plots		Surrounding area of AL Factory
	Land Title Deed No. 263, located in Na Kratam Sub-district, Tha Sae District, Chumphon Province. Total area: 6 – 0 – 16.2 Rai	AL	Mortgaged as collateral to a financial institution 11 plots		Large-scale purchasing center
	2 plots of Nor.Sor. 3 Khor., located in Thung Takrai Sub-district, Thung Tako District, Chumphon Province. Total area: 14 – 3 – 20 Rai	AL	-		Surrounding area of AL Factory
	Land Improvements	SMO and its subsidiaries	-		Land Improvements - AL Factory
2. Buildings and Building Improvements	Buildings located at each branch, including office buildings, factory buildings, staff residences, etc.	SMO and its subsidiaries	-	470.43	Used in operations
3. Machinery and Factory Equipment	Machinery, equipment, and tools	SMO and its subsidiaries	Some machinery is registered as business collateral to secure credit facilities with financial institutions.	877.97	Used in operations

Asset Type	Asset Characteristics	Ownership	Encumbrances	Net Book Value as of 31 Dec 2025 (THB Million)	Utilization
4. Equipment	Tools used in the Group's operations	SMO and its subsidiaries	-	3.51	Used in operations
5. Furniture, Fixtures, and Office Equipment	Furniture, fixtures, and office equipment used in the Group's operations	SMO and its subsidiaries	-	42.59	Used in operations
6. Vehicles	Vehicles used in operations	SMO and its subsidiaries	-	30.44	Used in operations
7. Assets under construction and installation	Assets under construction and installation for use in the Group's operations	SMO and its subsidiaries	-	232.19	Used in operations
			Total Property, Plant, and Equipment - Net	2,179.49	

Investment Properties

Asset Type	Asset Characteristics	Ownership	Encumbrances	Net Book Value as of 31 Dec 2025 (THB Million)	Utilization
Land held for sale	5 Land Title Deeds, located in Tha Sathon Sub-district, Phunphin District, Surat Thani Province.	TEAM	-	144.43	Pending sale
Land held for sale	21 plots of Nor.Sor. 3 Kor., located in Na Kratam Sub-district, Tha Sae District, Chumphon Province.	SMO	Mortgaged as collateral to a financial institution 21 plots	62.46	Pending sale
Land held for sale	1 Land Title Deed, located in Prasong Sub-district, Tha Chana District, Surat Thani Province.	SMO	Mortgaged as collateral to a financial institution 1 plot	11.14	Pending sale
Land for Lease	1 Land Title Deed, located in Nong Rong Sub-district, Nong Khae District, Saraburi Province.	SMO	-	11.31	Leased out

Note: The net book value of investment properties is THB 159 million. The fair value of these properties was appraised by an independent appraiser. The fair value of land held for sale was determined using the Market Approach

Right-of-Use Assets

As of December 31, 2025, the Company's right-of-use assets amounted to THB 146.19 million. These assets primarily consist of long-term land lease agreements used for business operations, with lease terms ranging from 3 to 30 years. This also includes lease agreements for assets such as factory equipment, office equipment, and vehicles used in the Group's operations, with contract terms ranging from 3 to 5 years.

Intangible Assets Used in Business Operations

As of December 31, 2025, the Company's net intangible assets totaled THB 103.80 million, consisting of rights under Power Purchase Agreements (PPA) and computer software.

Material Contracts Related to Business Operations

1.) Product Sales Agreement

Contracting Party	:	Smothong Group Public Company Limited ("SMO")
Counterparty	:	Legal entities that are customers of the Company ("The Buyer")
Contract Term	:	The Buyer and the Seller shall determine the contract term as mutually agreed.
Products to be traded	:	Both parties shall mutually specify the product types, details, quality, and standards, as well as the delivery schedule for each shipment.
Trading Volume	:	Both parties agree on the quantity of products to be delivered throughout the contract period.
Price	:	The delivery price shall be referenced from production costs or market prices under the following conditions: 1. Referenced based on the production formula and manufacturing overhead of the products; or 2. Referenced based on the prices announced by government agencies (Ministry of Energy).
Key Terms and Conditions	:	• For international sales agreements, both parties must specify the shipping window as per the contract. The Laycan Date must be determined at least 7 days before loading the goods onto the vessel.

2.) Lease Agreement for Land and Buildings for the Establishment of a Palm Oil Collection Center

Lessee	:	Smothong Group Public Company Limited ("SMO")
Lessor	:	Individuals or entities holding ownership of the land.
Lease Term	:	The Lessee and the Lessor shall determine the contract duration as mutually agreed. Upon termination of the agreement for any reason, all buildings, structures, and one (1) weighing scale shall become the property of the Lessor.
Leased Asset	:	Land
Objective	:	To establish and operate a palm oil collection center (RAMP) for purchasing fresh fruit bunches (FFB) from farmers./1
Rental Rate	:	The rental rate shall be determined by mutual agreement between the parties.
Key Terms and Conditions	:	• The Lessee agrees to pay property tax, land tax, and sign tax related to the leased assets. The Lessor shall be responsible for the withholding tax on the rental payments throughout the lease term. • If the Lessor intends to sell the leased asset, the Lessor must inform the transferee of the rights and obligations under this agreement. In the event of inheritance, the heirs shall assume all rights and obligations of the Lessor. The Lessee must be notified in writing of any change in ownership following registration.

Note: /1 In the event of a related party transaction, the rental rate is determined based on the appraisal report by an independent appraiser approved by the Securities and Exchange Commission (SEC). The appraisal is conducted for the purpose of determining a fair market value for public information.

3.) Transportation Service Agreement

Employer	:	Smothong Group Public Company Limited ("SMO")
Contractor	:	Transportation Service Providers
Objective	:	To transport goods from designated units to factories as specified by the Employer./1
Service Fee	:	The Employer agrees to pay the service fee at the rates specified in the agreement.
Contract Term	:	1 Year
Key Terms and Conditions	:	• Either party wishing to terminate the agreement must provide written notice to the other party at least 30 days in advance.

Note: /1 In the event of a related party transaction, the transportation rates are determined by distance, referenced from the research report 'Analysis of Oil Palm Transportation Rates and Optimal Logistics Models' conducted by experts from the Center of Excellence in Logistics and Business Analytics, Walailak University. These rates are consistent with those charged by independent third-party contractors.

4.) Lease Agreement with Related Party

Agreement No. 1

Lessee	:	Smothong Group Public Company Limited ("SMO")
Lessor	:	Mr.Seksak Piriyetyanggoon
Leased Asset	:	A portion of land (3 Ngan) located on Nor. Sor. 3 Kor. Title Deed No. 2940, Prasong Sub-district, Tha Chana District, Surat Thani Province.
Lease Term	:	14 Years, effective from November 15, 2024, to November 14, 2038.
Objective	:	To construct employee/worker housing for the Company or for any activities related to the Lessee's business objectives.
Rental Rate /1	:	Years 1-2: THB 10,000 per annum Years 3-5: THB 10,500 per annum Years 6-8: THB 11,025 per annum Years 9-11: THB 11,576 per annum Years 12-14: THB 12,155 per annum
Key Terms and Conditions	:	• The Lessor and the Lessee agree to register the lease agreement at the competent Land Office on a mutually agreed date. Each party shall be responsible for its respective fees and stamp duties for the lease registration as required by law.

Note: /1 The rental rate is determined based on the appraisal report by an independent appraiser approved by the Securities and Exchange Commission (SEC). The appraisal was conducted for the purpose of determining the fair market value for public information.

Agreement No. 2

Lessee	:	Smothong Group Public Company Limited ("SMO")
Lessor	:	Master Harit Piriyetyanggoon, represented by Ms. Pajaree Im-udom
Leased Asset	:	Land Title Deeds (Nor. Sor. 3 Kor.) No. 1750, 1752, and 1767, located in Prasong Sub-district, Tha Chana District, Surat Thani Province. Total area: 80 – 2 – 8 Rai
Lease Term	:	19 Years and 10 Months, effective from November 1, 2025, to August 31, 2045.
Objective	:	For the purpose of conducting the Lessee's business operations.
Rental Rate /1	:	Years 1-3: THB 1,100,000 per annum Years 4-6: THB 1,155,000 per annum Years 7-9: THB 1,212,750 per annum Years 10-12: THB 1,273,388 per annum Years 13-15: THB 1,337,057 per annum Years 16-18: THB 1,403,910 per annum Year 19: THB 1,474,106 Final 10 Months: THB 1,228,422 Total contract value: THB 25,148,843
Key Terms and Conditions	:	• The Lessor agrees that the Lessee may allow others to use the leased asset or sublease it to a third party. • Upon termination of the lease for any reason, the Lessee must restore the leased asset to its original condition at the Lessee's own expense.

Note: /1 The rental rate is determined based on the appraisal report by an independent appraiser approved by the Securities and Exchange Commission (SEC). The appraisal was conducted for the purpose of determining the fair market value for public information.

5.) Power Purchase Agreement (PPA)

Agreement No. 1

Buyer	:	Provincial Electricity Authority ("PEA")
Seller	:	Mitprasong Green Power Company Limited
Objective	:	PEA agrees to purchase electricity from the Company at a maximum capacity of 5.0 Megawatts (MW).
Power Plant Type	:	Biogas Power Plant
Contract Capacity	:	Maximum 5.0 MW at a voltage level of 33,000 Volts.
Project Location	:	Prasong Sub-district, Tha Chana District, Surat Thani Province.
Contract Term	:	5 Years from the commencement date, with automatic 5-year renewals until the agreement is terminated.
Expiry Date	:	The term is 5 years with automatic 5-year renewals. The most recent contract was executed on January 21, 2015.
Payment Terms	:	In accordance with the regulations for purchasing electricity from Very Small Power Producers (VSPP) for renewable energy.
Termination	:	• The Company may submit a written notice to PEA expressing its intent to terminate the agreement. • If either party fails to comply with any contract terms, the non-defaulting party must provide a written notice for rectification. If not rectified, the non-defaulting party has the right to terminate the agreement.

Agreement No. 2

Buyer	:	Provincial Electricity Authority (“PEA”)
Seller	:	Smothong Group Public Company Limited
Objective	:	PEA agrees to purchase electricity from the Company at a maximum capacity of 5.7 Megawatts (MW).
Power Plant Type	:	Biogas Power Plant
Contract Capacity	:	Maximum 5.7 MW at a voltage level of 33,000 Volts.
Project Location	:	Khlong Cha-un Sub-district, Phanom District, Surat Thani Province.
Contract Term	:	5 Years from the commencement date, with automatic 5-year renewals until the agreement is terminated.
Expiry Date	:	The term is 5 years with automatic 5-year renewals. The most recent contract was executed on December 12, 2013.
Payment Terms	:	In accordance with the regulations for purchasing electricity from Very Small Power Producers (VSPP) for renewable energy.
Termination	:	• The Company may submit a written notice to PEA expressing its intent to terminate the agreement. • If either party fails to comply with any contract terms, the non-defaulting party must provide a written notice for rectification. If not rectified, the non-defaulting party has the right to terminate the agreement.

Agreement No. 3

Buyer	:	Provincial Electricity Authority (“PEA”)
Seller	:	AL Palm Company Limited
Objective	:	PEA agrees to purchase electricity from the Company at a maximum capacity of 2.0 Megawatts (MW).
Power Plant Type	:	Biogas Power Plant
Contract Capacity	:	Maximum 2.0 MW at a voltage level of 22,000 Volts.
Project Location	:	Thung Takrai Sub-district, Thung Tako District, Chumphon Province.
Contract Term	:	5 Years from the commencement date, with automatic 5-year renewals until the agreement is terminated.
Expiry Date	:	The term is 5 years with automatic 5-year renewals. The most recent contract was executed on January 30, 2015.
Payment Terms	:	In accordance with the regulations for purchasing electricity from Very Small Power Producers (VSPP) for renewable energy.
Termination	:	• The Company may submit a written notice to PEA expressing its intent to terminate the agreement. • If either party fails to comply with any contract terms, the non-defaulting party must provide a written notice for rectification. If not rectified, the non-defaulting party has the right to terminate the agreement.

6.) Financial Agreements

Smothong Group Public Company Limited

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
Smothong Group Public Company Limited							
Credit Facilities with Financial Institution No. 1							
1. Facility 1: Term Loan Objective: To finance the expansion of the Biogas Power Plant project.	85.00	Jun 2018	Jul 2027	THOR + 2.00% or Fixed IRS	17.27	1) Land Title Deeds No. 1485, 1750, and 1751, located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province, including all existing and future structures. Ownership: Smothong Group Public Company Limited. 2) A total of 44 items of registered machinery and 15 items of unregistered machinery, located at 333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 3) Second-rank land mortgage agreement and annex for land title deed no. 5596, located in Nong Rong Sub-district, Nong Khae District, Saraburi Province, including structures. Ownership: Smothong Group Public Company Limited. 4) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyesyanggul, Mr. Kittipong Puangmala, and Mr. Johson Lim.	
2. Facility 2: Promissory Note (P/N) Objective: For working capital.	660.00	Jun 2018	Upon termination of the facility	Money Market Rate	230.00		

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
3. Facility 3: Term Loan (T/L) Objective: To finance the EFB Plant project at Tha Chana Factory.	40.00	Sep 2019	Oct 2027	MLR - 2.50% per annum for 24 months (starting Dec 20, 2024), thereafter MLR - 1.50% per annum.	12.68	1) Land mortgage agreement and annex for 6 plots of land (Nor. Sor. 3 Kor.) No. 1766, 1768, 3632, 3795, 3796, and 3797, located in Prasong Sub-district, Tha Chana District, Surat Thani Province, including structures. Ownership: Smothong Group Public Company Limited. 2) Business security agreement for 88 items of registered machinery, located at 119 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 3) Claim rights over the savings deposit account No. 677-9-20876-0 (Electricity Revenue Account). 4) Business security agreement for machinery at the Saraburi Branch factory, located on land title deed No. 5596. Ownership: Smothong Group Public Company Limited. 5) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon, Mr. Kittipong Puangmala, and Mr. Johson Lim.	
4. Facility 4: Promissory Note (P/N) Objective: For refinancing from CIMB Thai Bank Public Company Limited and for working capital.	250.00	Sep 2019	Upon termination of the facility	Money Market Rate	0.00		

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
5. Facility 5: Term Loan Objective: To support various production efficiency enhancement projects at the Phanom Branch factory.	14.45	Apr 2021	Oct 2029	MLR - 2.50% per annum for 24 months (starting Dec 20, 2024), thereafter MLR - 1.50% per annum.	5.47	1) Secondary Mortgage: Second-rank land mortgage agreement and annex for land (Nor. Sor. 3 Kor.) No. 1766, 1768, 3632, 3796, and 3797, located in Prasong Sub-district, Tha Chana District, Surat Thani Province, including structures. Ownership: Smothong Group Public Company Limited. 2) Land mortgage agreement for additional security without increasing the mortgage limit for land title deeds No. 1485, 1750, and 1751, located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 3) Provision of unregistered machinery located on land (Nor. Sor. 3 Kor.) No. 1766, 1768, and 3632, Prasong Sub-district, Tha Chana District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 4) Provision of unregistered machinery located on land (Nor. Sor. 3 Kor.) No. 1485, 1750, and 1751, Prasong Sub-district, Tha Chana District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 5) Business security agreement by pledging machinery of the Crude Palm Oil (CPO) extraction mill as collateral for debt. Ownership: Smothong Group Public Company Limited. 6) Business security agreement for the machinery of the Crude Palm Oil (CPO) extraction mill. Ownership: Smothong Group Public Company Limited. 7) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon, Mr. Kittipong Puangmala, and Mr. Johson Lim.	
6. Facility 6 Term Loan Objective: To support the construction of the Head Office building and various production efficiency enhancement projects at the Tha Chana Branch factory.	61.04	Apr 2021	Jun 2028	MLR - 2.50% per annum for 24 months (starting Dec 20, 2024), thereafter MLR - 1.50% per annum.	3.35		

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
7. Facility 7 Term Loan and Foreign Currency Loan Objective: To finance the Boiler system and components for the production capacity expansion project at the Phanom Branch factory.	125.70	Jan 2022	Dec 2029	MLR - 2.50% per annum for 24 months (starting Dec 20, 2024), thereafter MLR - 1.50% per annum.	29.68	1) Second-rank land mortgage agreement and annex for land title deeds No. 1485, 1750, and 1751, located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province, including structures. Ownership: Smothong Group Public Company Limited. This serves as collateral for the THB 76.60 million Term Loan. 2) Land mortgage agreement and annex for land title deeds No. 1427, 1428, and 2003, located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. This serves as collateral for the THB 43.30 million Term Loan. 3) Land mortgage agreement for additional security without increasing the mortgage limit for land title deed No. 12802, located in Prasong Sub-district, Tha Chana District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 4) Land mortgage agreement for additional security without increasing the mortgage limit for land and structures under the “Land Acquisition and Construction of Palm Buying Point (Big Ramp)” project. Ownership: Smothong Group Public Company Limited. This serves as collateral for the THB 43.30 million Term Loan. 5) Business security agreement for all unregistered new machinery used in the “Land Acquisition and Construction of Palm Buying Point (Big Ramp)” project. Ownership: Smothong Group Public Company Limited. This serves as collateral for the THB 43.30 million Term Loan. 6) Business security agreement for 55 items of machinery located at 333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Ownership: Smothong Group Public Company Limited.	

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
						7) Business security agreement for machinery located at 333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani Province, pledged as collateral for the THB 76.60 million Term Loan. 8) Land mortgage for additional security without increasing the mortgage limit for land and structures under title deed No. 4389, located in Bang Sawan Sub-district, Phrasaeng District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. This is supplemental to the mortgage of title deeds No. 1427, 1428, and 2003 to secure the THB 43.30 million Term Loan. 9) First-rank business security registration for 1 unit of new unregistered machinery (Electronic Truck Scale) used in all operations, as per the appraisal report for land title deed No. 4389, Bang Sawan Sub-district, Phrasaeng District, Surat Thani Province. This serves as collateral for the THB 43.30 million Term Loan. Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon, Mr. Kittipong Puangmala, and Mr. Johson Lim.	
8. Facility 8 Term Loan and Foreign Currency Loan Objective: To finance the Boiler system and components for the production capacity expansion project at the Phanom Branch factory.	150.00	Mar 2023	May 2031	Years 1-3: MLR - 2.50% per annum, thereafter MLR - 1.50% per annum.	82.34	1) Third-rank land mortgage agreement and annex for land title deeds No. 1485, 1750, and 1751, located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province, including structures. Ownership: Smothong Group Public Company Limited. 2) Business security agreement for 1 unit of machinery located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 3) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon, Mr. Kittipong Puangmala, and Mr. Johson Lim.	

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
Total of Financial Institution No. 1	1,386.19				380.79		
Credit Facilities with Financial Institution No. 2							
9. Facility 1 Combined Revolving Credit Line Objective: For working capital.	300.00	ก.ค. 65	Upon termination of the facility	As specified by the bank	70.00	1) Land mortgage registration for 30 title deeds (No. 7241, 7248, 7249, 7250, 7251, 7252, 7256, 7438, 7439, 7440, 7441, 7442, 7443, 7444, 8219, 8220, 8221, 8222, 8317, 8318, 8331, 8451, 8452, 8455, 8569, 19520, 10521, 14805, 15043, 15044) in Thung Takrai, Thung Tako, Chumphon, and 11 title deeds (No. 4479, 4480, 4522, 4527, 4528, 4529, 4530, 4531, 4532, 4533, 21635) in Na Sak, Sawi, Chumphon, including structures. Ownership: AL Palm Company Limited. 2) Business security registration for deposit accounts. Ownership: Smothong Group Public Company Limited. 3) Business security registration for 51 items of machinery. Ownership: AL Palm Company Limited. 4) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon, Mr. Kittipong Puangmala, and Mr. Johson Lim.	The Combined Revolving Credit Line consists of: Bill Credit Facility: With a drawdown limit not exceeding THB 200.00 million. Foreign Exchange Transaction Facility: Premium Export Limit type. Letter of Guarantee Facility: With a drawdown limit not exceeding THB 20.00 million.
10. Facility 2 Long-term Loan Objective: To provide a loan to AL Palm Company Limited and to finance the renovation and repair of the factory, including machinery and equipment of AL Palm Company Limited.	670.00	Jun 2024	May 2031	MLR - 3.225% per annum.	422.50		The loan is divided into 2 tranches: Tranche 1: Not exceeding THB 570.00 million, to provide a loan to AL Palm Company Limited. Tranche 2: Not exceeding THB 100.00 million, for the renovation and repair of the factory, including machinery and equipment of AL Palm Company Limited.
11. Facility 3 Long-term Loan Objective: To purchase and/ or reimburse the cost of vehicles (4 BYD cars for VPs).	4.50	Sep 2025	Sep 2030	MLR - 3.55% per annum.	4.27	1) Registration of unregistered vehicles (purchased using the loan proceeds from this facility) as collateral. The borrower is required to complete the business security registration within 120 days from the initial drawdown date.	

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
Total of Financial Institution No. 2	974.50				496.77		
Credit Facilities with Financial Institution No. 3							
12. Facility 1 Revolving Credit Line Objective: For working capital.	150.00	May 2025	Upon termination of the facility	As mutually agreed upon by the borrower and the bank before each drawdown.	0.00	1) Registration of a business security agreement over deposit accounts as collateral. Ownership: Smothong Group Public Company Limited. 2) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon, Mr. Kittipong Puangmala, and Mr. Johson Lim.	
Total of Financial Institution No. 3	150.00				0.00		
Credit Facilities with Financial Institution No. 4							

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
13. **Facility 1** Export Credit (Packing Credit) Credit) Objective: For business operations and/or as working capital.	280.00	Apr 2024	Upon termination of the facility	Interest rate as specified by the bank from time to time.	0.00	1) Registration of the right of claim for deposit withdrawal as business security. Ownership: Smothong Group Public Company Limited. 2) Business security registration of Electrostatic Precipitators machinery purchased using this credit facility. Ownership: Smothong Group Public Company Limited. 3) Business security registration of the wastewater treatment system machinery purchased using this credit facility. Ownership: Smothong Group Public Company Limited. 4) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon, Mr. Kittipong Puangmala, and Mr. Johson Lim.	If the Company utilizes the Foreign Exchange and Derivatives Transaction Facility (Facility 2), a portion of Facility 1 amounting to THB 8.00 million must be reserved/earmarked. Under Facility 1, there is a combined limit of THB 20.00 million for Import Letter of Credit (L/C) and Trust Receipt (T/R).
14. **Facility 2** Long-term Loan Facility Objective: To invest in the construction of a wastewater treatment system project under the Emergency Decree on Provision of Assistance and Rehabilitation of Business Operators Impacted by the Pandemic of the Coronavirus Disease 2019, B.E. 2564 (2021).	17.00	May 2024	Oct 2027	Years 1-2: Fixed rate at 2.00% per annum.	7.53		

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
15. Facility 3 Long-term Loan Facility Objective: To finance the purchase of an Electrostatic Precipitator (ESP) from Thermax Limited, under the Emergency Decree on Provision of Assistance and Rehabilitation of Business Operators Impacted by the Pandemic of the Coronavirus Disease 2019, B.E. 2564 (2021).	17.00	Jul 2023	Aug 2027	- Years 1-2: Fixed rate at 2.00% per annum.	6.99		
Total of Financial Institution No. 4	314.00				14.52		
Credit Facilities with Financial Institution No. 5							

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
16. Facility 1 Mixed Line Bill Facility (P/C) Objective: For working capital.	300.00	Mar 2017	Upon termination of the facility	As mutually agreed upon by the borrower and the bank.	0.00	1) Registration of the right of claim over a fixed deposit account and its accrued interest as business security. Ownership: Smothong Group Public Company Limited. 2) Mortgage of 21 plots of land under Certificates of Utilization (N.S. 3 Gor) No. 2198, 2199, 2602, 2955, 3369, 3370, 3519, 3520, 3521, 3522, 3702, 3747, 3748, 3850, 3851, 3852, 3853, 3854, 3855, 3856, and 3857, located in Na Kratam Sub-district, Tha Sae District, Chumphon Province. Ownership: Smothong Group Public Company Limited. 3) Mortgage of 5 land title deeds (No. 1432, 1433, 1434, 1484, and 2131), located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 4) Fourth-Rank Mortgage (N.S. 3 Gor): Fourth-rank mortgage of 21 plots of land under Certificates of Utilization (N.S. 3 Gor) No. 2198, 2199, 2602, 2955, 3369, 3370, 3519, 3520, 3521, 3522, 3702, 3747, 3748, 3850, 3851, 3852, 3853, 3854, 3855, 3856, and 3857, located in Na Kratam Sub-district, Tha Sae District, Chumphon Province. Ownership: Smothong Group Public Company Limited. 5) Fourth-rank mortgage for additional security of 5 land title deeds (No. 1432, 1433, 1434, 1484, and 2131), located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. Ownership: Smothong Group Public Company Limited. 6) Personal guarantees for the credit facilities provided by Mr. Seksak Piriyetyanggoon and Mr. Kittipong Puangmala	The Mixed Line Bill Facility consists of: 1. Packing Credit (P/C) Facility: With a maximum drawdown limit not exceeding THB 150.00 million per issuance. 2. Short-Term Loan against Promissory Notes (P/N): With a facility amount of THB 200.00 million.

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
Total of Financial Institution No. 5	300.00				0.00		
Credit Facilities with Financial Institution No. 6							
17. Facility 1 Domestic and International Trade Finance (Packing Credit: PC) Objective: For the domestic and international trade of goods.	250.00	Oct 2025	Upon termination of the facility	Money Market Rate (as per market conditions).	0.00	1) Business security registration (via the Department of Business Development - DBD) over deposit accounts with a total value of THB 50.00 million, specifically for the PC facility. Ownership: Smothong Group Public Company Limited. The Company is permitted to progressively deposit funds as security in proportion to the actual debt obligation at a rate of 20% of the utilized credit amount.	
Total of Financial Institution No. 6	250.00				0.00		
Grand Total of Credit Facilities: Smothong Group Public Company Limited	3,374.69				892.08		

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
AL Palm Company Limited							
Credit Facilities with Financial Institution No. 1							
18. Facility 1 Combined Revolving Credit Line Objective: For working capital in business operations.	100.00	Jun 2024	Nov 2028	As specified by the bank.	100.00	1) Mortgage of land title deeds No. 7241, 7248, 7249, 7250, 7251, 7252, 7256, 7438, 7439, 7440, 7441, 7442, 7443, 7444, 8219, 8220, 8221, 8222, 8317, 8318, 8331, 8451, 8452, 8455, 8569, 19520, 10521, 14805, 15043, and 15044, located in Thung Takhrai Sub-district, Thung Tako District, Chumphon Province. Mortgage of land title deeds No. 4479, 4480, 4522, 4527, 4528, 4529, 4530, 4531, 4532, 4533, and 21635, located in Na Sak Sub-district, Sawi District, Chumphon Province. Including all existing buildings and/or future constructions to be erected on the said land. 2) Registration of a business security agreement over deposit accounts. 3) Registration of a business security agreement over 51 units of registered machinery. Ownership: AL Palm Company Limited. 4) Personal guarantees for the credit facilities provided by Mr. Kittipong Puangmala, Mr. Seksak Piriyetyanggoon, and Mr. Johson Lim.	The credit facilities are shared jointly between Smothong Group Public Company Limited and AL Palm Company Limited.
Total of Financial Institution No. 1	100.00				100.00		
Credit Facilities with Financial Institution No. 2							

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
19. Facility 1 Combined Revolving Credit Line Objective: For working capital in business operations.	150.00	Dec 2024	Upon termination of the facility	Money Market Rate (as per market conditions).	90.00	1) Mortgage of land title deeds No. 1485, 1750, and 1751, located in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province. 2) Business security registration over crude palm oil mill machinery. Ownership: Smothong Group Public Company Limited. Guarantee amount: THB 930.00 million. 3) Business security registration over crude palm oil mill machinery. Ownership: Smothong Group Public Company Limited. Guarantee amount: THB 570.00 million. 4) Business security registration over crude palm oil mill machinery. Ownership: Smothong Group Public Company Limited. Guarantee amount: THB 744.00 million. 5) Business security registration over crude palm oil mill machinery. Ownership: Smothong Group Public Company Limited. Guarantee amount: THB 580.00 million. 6) Personal guarantees for the credit facilities provided by Mr. Kittipong Puangmala, Mr. Seksak Piriyetyanggoon, and Mr. Johson Lim.	
Total of Financial Institution No. 2	150.00				90.00		
Grand Total of Credit Facilities: AL Palm Company Limited	250.00				190.00		

Type of Facility	Total Facility Amount (THB Million)	Agreement Date	Maturity Date	Interest Rate	Outstanding Balance as of Dec 31, 2025 (THB Million)	Collateral	Financial Covenants
Mitprasong Green Power Company Limited							
Credit Facilities with Financial Institution No. 1							
20. Facility 1 Term Loan Facility Objective: To fund dividend payments.	65.00	Feb 2024	Jan 2027	MLR-2.80%	26.99	1) Registration of a business security agreement over the right of claim for savings account No. 678-5-32736-9. Ownership: Mitprasong Green Power Company Limited. 2) Registration of a business security agreement over unregistered machinery of the Biogas Power Plant located on land under Certificates of Utilization (N.S. 3 Gor) No. 3795, 3796, and 3797 in Prasong Sub-district, Tha Chana District, Surat Thani Province. Ownership: Mitprasong Green Power Company Limited. 3) A letter of guarantee provided by Smothong Group Public Company Limited.	
Total of Financial Institution No. 1	65.00				26.99		
Grand Total of Credit Facilities: Subsidiaries	315.00				216.99		
Grand Total of Credit Facilities: Smothong Group PCL. and Its Subsidiaries	3,689.69				1,109,07		

7) Industrial All Risks Insurance Policy (IAR)

Policy No. 1

Property All Risks Insurance Policy		
Policy Number	:	14016-666-260000036
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Accidental Damage (Property) Insurance
Sum Insured	:	THB 750.20 Million
Insurance Details	:	Insured Property Details are as follows: 1. Building structures (excluding foundations), including all extensions, renovations, fences, and gates. 2. Furniture, Fixtures, and Fittings includes all interior decorations and office equipment. 3. Includes all machinery, parts, and accessories related to the insured's business operations. 4. Public Utilities Systems 5. Stock-in-Trade: Includes crude palm oil, palm kernels, palm kernels in process (WIP), and factory supplies/materials.
Location of Insured Property	:	No. 199/2 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani Province 84170 (Crude Palm Oil Mill) and various purchasing points within Surat Thani Province for an additional 17 locations, totaling 18 insured locations.
Scope of Coverage	:	This insurance policy covers loss or damage to the insured property caused by Fire, Lightning, Explosion, Aircraft Damage, Water Damage, Vehicle Impact, Smoke, Forest Fire, Flood, Windstorm, Hail, Earthquake or Volcanic Eruption or Tidal Wave or Tsunami, Strikes, Riots, or Malicious Acts (except for acts with political, religious, or ideological motives) and various accidents arising from external factors or other perils not specifically excluded under the Property All Risks Insurance Policy (OIC Form).

Policy No. 2

Property All Risks Insurance Policy		
Policy Number	:	14016108250083844
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Property All Risks Insurance
Sum Insured	:	1,059.68 Million Baht
Insurance Details	:	Insured Property Details are as follows 1. Building structures (excluding foundations), including furniture, office equipment, fixtures and fittings, various extensions, and utility systems under the care of the insured. 2. All types of machinery used in palm oil production, such as palm sterilizers, palm weighing scales, dryers, palm bunch separators, fiber and kernel separators, palm oil screw presses, palm oil extraction units, transformers for production control, electrical control cabinets, and palm oil storage tanks. 3. Stock-in-trade, including crude palm oil, palm kernels, palm kernels in process, and factory materials.
Location of Insured Property	:	No. 333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani Province 84250 (Crude Palm Oil Mill) and various purchasing points within Surat Thani Province and Krabi Province for an additional 16 locations, totaling 17 insured locations.
Scope of Coverage	:	This insurance covers loss or damage to the insured property caused by Fire, Lightning, Explosion, Vehicle Impact, Smoke, Aircraft Damage, Water Damage, Windstorm, Flood, Earthquake or Volcanic Eruption or Tidal Wave or Tsunami, Hail, Strikes, Riots or Malicious Acts, Spontaneous Combustion or Fermentation or Natural Explosion, and various unforeseen accidents arising from external factors or other perils not specifically listed as exclusions in the Property All Risks Insurance Policy.

Policy No. 3

Property All Risks Insurance Policy		
Policy Number	:	14016-666-260000342
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Property All Risks Insurance (Accidental Damage (Property) Insurance)
Sum Insured	:	THB 228.29 Million
Insurance Details	:	Insured Property Details are as follows: 1. Building structures (excluding foundations), including building extensions and renovations, fermentation ponds, collection ponds, sludge ponds, mixing cake ponds, and cooling ponds. 2. Various furniture, fixtures, and fittings, electrical appliances, office equipment, tools, and utility systems such as electrical systems, water systems, telephone systems, air conditioning systems, gas systems, and other related systems. 3. Machinery, equipment, and various accessories related to the business operations of the insured.
Location of Insured Property	:	No. 333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani Province 84250 (Biogas Power Plant)
Scope of Coverage	:	This insurance covers loss or damage to the insured property caused by Fire, Lightning, Explosion, Vehicle Impact, Smoke, Aircraft Damage, Water Damage, Windstorm, Flood, Earthquake or Volcanic Eruption or Tidal Wave or Tsunami, Hail, Strikes, Riots or Malicious Acts (except for acts with political, religious, or ideological motives), Spontaneous Combustion or Fermentation or Natural Explosion, and various unforeseen accidents arising from external factors or other perils not specifically listed as exclusions in the Property All Risks Insurance Policy (OIC Form).

Policy No. 4

Property All Risks Insurance Policy		
Policy Number	:	14016-666-260000364
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Property All Risks Insurance (Accidental Damage (Property) Insurance)
Sum Insured	:	281.25 Million Baht
Insurance Details	:	Insured Property Details are as follows 1. Building structures (excluding foundations), including furniture, office equipment, fixtures and fittings, various extensions, and utility systems under the care of the insured. 2. All types of machinery used in palm oil production, such as palm sterilizers, palm weighing scales, dryers, palm bunch separators, fiber and kernel separators, palm oil screw presses, palm oil extraction units, transformers for production control, electrical control cabinets, and palm oil storage tanks, etc. 3. Stock-in-trade, including palm oil, palm kernels, palm kernels in process, and factory materials.
Location of Insured Property	:	No. 33/3 Moo 1, Nong Rong Sub-district, Nong Khae District, Saraburi Province 18140 (Crude Palm Oil Mill) and various purchasing points within Saraburi Province and Prachuap Khiri Khan Province for an additional 2 locations, totaling 3 insured locations.
Scope of Coverage	:	This insurance policy covers loss or damage to the insured property caused by Fire, Lightning, Explosion, Aircraft Damage, Water Damage, Vehicle Impact, Smoke, Forest Fire, Flood, Windstorm, Hail, Earthquake or Volcanic Eruption or Tidal Wave or Tsunami, Strikes, Riots, or Malicious Acts (except for acts with political, religious, or ideological motives), and various unforeseen accidents arising from external factors or other perils not specifically listed as exclusions in the Property All Risks Insurance Policy (OIC Form).

Policy No. 5

Property All Risks Insurance Policy		
Policy Number	:	14016-108-250083752
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	AL Palm Company Limited
Type of Insurance	:	Property All Risks Insurance (Accidental Damage (Property) Insurance)
Sum Insured	:	631.20 Million Baht
Insurance Details	:	Insured Property Details are as follows: 1. Building structures (excluding foundations), including building renovations and extensions, furniture, fixtures and fittings, computers, office equipment, machinery, and various equipment used in business operations. 2. Stock-in-trade, raw materials, goods in process, finished goods, and packaging materials under the care, custody, or control of the insured, namely crude palm oil, palm kernels, palm kernels in process, and factory materials.
Location of Insured Property	:	No. 173-173/1 Moo 4, Thung Takhrai Sub-district, Thung Tako District, Chumphon Province 86220 (Crude Palm Oil Mill)
Scope of Coverage	:	This insurance policy covers loss or damage to the insured property caused by Fire, Lightning, Explosion, Aircraft Damage, Water Damage, Vehicle Impact, Smoke, Forest Fire, Flood, Windstorm, Hail, Earthquake or Volcanic Eruption or Tidal Wave or Tsunami, Strikes, Riots, or Malicious Acts (except for acts with political, religious, or ideological motives), and various unforeseen accidents arising from external factors or other perils not specifically listed as exclusions in the Property All Risks Insurance Policy (OIC Form).

Policy No. 6

Property All Risks Insurance Policy		
Policy Number	:	14016-108-250083763
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	AL Palm Company Limited
Type of Insurance	:	Property All Risks Insurance (Accidental Damage (Property) Insurance)
Sum Insured	:	97.76 Million Baht
Insurance Details	:	Insured Property Details are as follows: 1. Building structures (excluding foundations), including building renovations and extensions, fixtures and fittings, computers, including office appliances and furniture. 2. Stock and factory materials.
Location of Insured Property	:	No. 173-173/1 Moo 4, Thung Takhrai Sub-district, Thung Tako District, Chumphon Province 86220 (Biogas Power Plant)
Scope of Coverage	:	This insurance policy covers loss or damage to the insured property caused by Fire, Lightning, Explosion, Aircraft Damage, Water Damage, Vehicle Impact, Smoke, Forest Fire, Flood, Windstorm, Hail, Earthquake or Volcanic Eruption or Tidal Wave or Tsunami, Strikes, Riots, or Malicious Acts (except for acts with political, religious, or ideological motives), and various unforeseen accidents arising from external factors or other perils not specifically listed as exclusions in the Property All Risks Insurance Policy (OIC Form).

Policy No. 7

Property All Risks Insurance Policy		
Policy Number	:	14016666260000014
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Mitprasong Green Power Company Limited
Type of Insurance	:	Property All Risks Insurance (Accidental Damage (Property) Insurance)
Sum Insured	:	333.15 Million Baht
Insurance Details	:	Insured Property Details are as follows: 1. Factory buildings 2. Office buildings 3. Office equipment 4. Fixtures and fittings 5. Tools and appliances 6. Machinery 7. Laboratory equipment 8. Biogas system (Electricity) 9. Factory materials
Location of Insured Property	:	No. 199 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani Province 84170 (Biogas Power Plant)
Scope of Coverage	:	This insurance covers loss or damage to the insured property caused by Fire, Lightning, Explosion, Vehicle Impact, Smoke, Aircraft Damage, Water Damage, Windstorm, Flood, Earthquake or Volcanic Eruption or Tidal Wave or Tsunami, Hail, Strikes, Riots or Malicious Acts (except for acts with political, religious, or ideological motives), Spontaneous Combustion or Fermentation or Natural Explosion, and various unforeseen accidents arising from external factors. This includes Theft involving visible signs of forcible entry into the insured premises (excluding Robbery or Gang Robbery), or any other perils not specifically listed as exclusions in the Property All Risks Insurance Policy (OIC Form).

8) Industrial All Risks Insurance Policy (Business Interruption Insurance)

Policy No. 8

Business Interruption Insurance Policy		
Policy Number	:	14059-108-260000090
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	AL Palm Company Limited
Type of Insurance	:	Business Interruption Insurance
Sum Insured	:	7.98 Million Baht
Insurance Details	:	Gross Profit Margin as calculated by the Company and the Insurance Company in accordance with the contract documents.
Location of Insured Property	:	No. 173-173/1 Moo 4, Thung Takhrai Sub-district, Thung Tako District, Chumphon Province 86220 (Biogas Power Plant)
Scope of Coverage	:	Loss of income resulting from business interruption due to direct damage to the insured property, caused by perils specified under the Property All Risks Insurance Policy, leading to a loss of Gross Profit due to a reduction in turnover and an increase in the cost of working. This is subject to the terms, conditions, and exclusions of the Business Interruption Insurance Policy.

Policy No. 9

Property All Risks Insurance Policy		
Policy Number	:	14059-108-2600000101
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	AL Palm Company Limited
Type of Insurance	:	Business Interruption Insurance
Sum Insured	:	2.40 Million Baht
Insurance Details	:	Gross Profit Margin as calculated by the Company and the Insurance Company in accordance with the contract documents.
Location of Insured Property	:	No. 173-173/1 Moo 4, Thung Takhrai Sub-district, Thung Tako District, Chumphon Province 86220 (Crude Palm Oil Mill)
Scope of Coverage	:	Loss of income resulting from business interruption due to direct damage to the insured property, caused by perils specified under the Property All Risks Insurance Policy, leading to a loss of Gross Profit due to a reduction in turnover and an increase in the cost of working. This is subject to the terms, conditions, and exclusions of the Business Interruption Insurance Policy.

Policy No. 10

Business Interruption Insurance Policy		
Policy Number	:	14059-666-260000056
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Business Interruption Insurance
Sum Insured	:	THB 24.85 Million
Insurance Details	:	Gross Profit Margin as calculated by the Company and the Insurance Company in accordance with the contract documents.
Location of Insured Property	:	No. 333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani Province 84250 (Biogas Power Plant)
Scope of Coverage	:	Covers financial loss or business interruption resulting from damage to the insured property protected under the Property All Risks Insurance Policy.

Policy No. 11

Business Interruption Insurance Policy		
Policy Number	:	14059-666-260000012
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Mitprasong Green Power Company Limited
Type of Insurance	:	Business Interruption Insurance
Sum Insured	:	THB 15.87 Million
Insurance Details	:	Gross Profit Margin as calculated by the Company and the Insurance Company in accordance with the contract documents.
Location of Insured Property	:	No. 199 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani Province 84170 (Biogas Power Plant)
Scope of Coverage	:	Covers financial loss or business interruption resulting from damage to the insured property protected under the Property All Risks Insurance Policy.

Policy No. 12

Business Interruption Insurance Policy		
Policy Number	:	14059-666-260000034
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Business Interruption Insurance
Sum Insured	:	THB 225.26 Million
Insurance Details	:	Gross Profit Margin as calculated by the Company and the Insurance Company in accordance with the contract documents.
Location of Insured Property	:	No. 199/2 Moo 10, Prasong Sub-district, Tha Chana District, Surat Thani Province 84170 (Crude Palm Oil Mill)
Scope of Coverage	:	Loss of income resulting from business interruption due to direct damage to the insured property, caused by perils specified under the Property All Risks Insurance Policy, leading to a loss of Gross Profit due to a reduction in turnover and an increase in the cost of working. This is subject to the terms, conditions, and exclusions of the Business Interruption Insurance Policy.

Policy No. 13

Business Interruption Insurance Policy		
Policy Number	:	14059-666-260000023
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Business Interruption Insurance
Sum Insured	:	THB 419.82 Million
Insurance Details	:	Gross Profit Margin as calculated by the Company and the Insurance Company in accordance with the contract documents.
Location of Insured Property	:	No. 333 Moo 6, Khlong Cha-un Sub-district, Phanom District, Surat Thani Province 84250
Scope of Coverage	:	Loss of income resulting from business interruption due to direct damage to the insured property, caused by perils specified under the Property All Risks Insurance Policy, leading to a loss of Gross Profit due to a reduction in turnover and an increase in the cost of working. This is subject to the terms, conditions, and exclusions of the Business Interruption Insurance Policy.

Policy No. 14

Business Interruption Insurance Policy		
Policy Number	:	14059-666-260000071
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	Smothong Group Public Company Limited
Type of Insurance	:	Business Interruption Insurance
Sum Insured	:	THB 28.73 Million
Insurance Details	:	Gross Profit Margin as calculated by the Company and the Insurance Company in accordance with the contract documents.
Location of Insured Property	:	No. 33/3 Moo 1, Nong Rong Sub-district, Nong Khae District, Saraburi Province 18140 (Crude Palm Oil Mill)
Scope of Coverage	:	Loss of income resulting from business interruption due to direct damage to the insured property, caused by perils specified under the Property All Risks Insurance Policy, leading to a loss of Gross Profit due to a reduction in turnover and an increase in the cost of working. This is subject to the terms, conditions, and exclusions of the Business Interruption Insurance Policy.

9) Fire Insurance Policy

Policy No. 15

Fire Insurance Policy		
Policy Number	:	12001-108-260019200
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	AL Palm Company Limited
Sum Insured	:	THB 16.81 Million
Insurance Details	:	Buildings (excluding foundations), including extensions, renovations, and various utility systems and equipment.
Location of Insured Property	:	No. 173-173/1 Moo 4, Thung Takhrai Sub-district, Thung Tako District, Chumphon Province 86220
Scope of Coverage	:	

10) Boiler and Pressure Vessel Insurance Policy

Policy No. 16

Boiler and Pressure Vessel Insurance Policy		
Policy Number	:	14018-108-260000014
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	AL Palm Company Limited
Type of Insurance	:	Boiler and Pressure Vessel Insurance
Sum Insured	:	THB 41.43 Million
Insurance Details	:	Insured Property Details are as follows: 1. Boilers 2. Third-Party Liability
Location of Insured Property	:	No. 173-173/1 Moo 4, Thung Takhrai Sub-district, Thung Tako District, Chumphon Province 86220 (Crude Palm Oil Mill)
Scope of Coverage	:	(1) Covers damage to the specified insured boilers. (2) Legal liability of the insured for the property of third parties. (3) Legal liability of the insured for the loss of life or bodily injury of third parties, resulting from the explosion or collapse of the specified insured boilers.

11) Machinery Insurance Policy

Policy No. 17

Machinery Insurance Policy		
Policy Number	:	14020-108-260000076
Insurance Commencement Date	:	December 31, 2025
Expiry Date	:	December 31, 2026
The Insured	:	AL Palm Company Limited
Type of Insurance	:	THB 21.65 Million
Sum Insured	:	Loaders (Wheel Loaders)
Insurance Details	:	No. 173-173/1 Moo 4, Thung Takhrai Sub-district, Thung Tako District, Chumphon Province 86220
Location of Insured Property	:	Provides coverage for the insured contractor's tools and machinery against all types of accidental damage while in use, at rest, or during dismantling for cleaning, reassembly, or overhaul. This includes movement within the insured premises. The coverage applies to any sudden and unforeseen cause not specifically excluded in the policy (Excluding machinery used within Coal Power Plants).

Attachment 5

Corporate Governance Policy and Code of Conduct

Smothong Group Public Company Limited has established and disclosed its corporate governance policies and business code of conduct to ensure transparent, ethical, and responsible business operations. The key policies are as follows:

1. Corporate Governance Policy
2. Conflict of Interest Policy
3. Insider Trading Policy
4. Anti-Corruption Policy
5. Whistle Blowing Policy
6. Policy on Supervisory of Subsidiaries and Associate Companies
7. Code of Conduct

Further details of these policies are available on the Company's website at www.smothonggroup.com under Investor Relations – **"Policies and Related Documents"**, or via the following link: https://www.smothonggroup.com/th/ir/corporate-governance-policy

Attachment 6

Report of the Audit Committee for the Year 2025

The Audit Committee of Smothong Group Public Company Limited consists of three independent directors who possess extensive expertise in accounting, finance, risk management, and business administration:

1. Mr.Tepakul Poonlarp	Chairman of the Audit Committee
2. Mr.Boonma Phonthanakornkul	Member of the Audit Committee
3. Mr.Artong Srihiran	Member of the Audit Committee

Ms. Thanamas Theparos serves as the Secretary to the Audit Committee. All members of the Audit Committee possess the full qualifications required by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee has performed its duties independently to safeguard the best interests of the Company, in accordance with the scope of authority and responsibilities assigned by the Board of Directors as specified in the Audit Committee Charter. These duties align with the best practices of the SEC, focusing on reviewing financial reports, internal control systems, and related party transactions, all of which are vital to good corporate governance. In 2025, the Audit Committee held a total of 5 meetings, with all members attending every meeting to reach a full quorum. The attendance details of each member are as follows:

Name	Position	Attendance / Total Meetings
1. Mr.Tepakul Poonlarp	Chairman of the Audit Committee	5/5
2. Mr.Boonma Phonthanakornkul	Member of the Audit Committee	5/5
3. Mr.Artong Srihiran	Member of the Audit Committee	5/5

Summary of Key Activities of the Audit Committee

1. Review of Financial Reports

The Audit Committee reviewed the Company's quarterly and annual financial statements, including relevant financial information, in collaboration with the management and the external auditors. The Committee made inquiries and provided recommendations on significant issues affecting the financial position, such as trade receivables and allowance for doubtful accounts, inventories and allowance for diminution in value of inventory, provisions for liabilities from litigation, and accounting transactions with significant changes.

These reviews were conducted to ensure that the financial statements were prepared in accordance with accounting standards and Thai Financial Reporting Standards (TFRS), and that they are reliable, timely, and provide accurate, complete, and sufficient disclosure for information users. Furthermore, the Audit Committee assessed the adequacy of the accounting record system and the independence of the external auditors to ensure that the financial reporting process is transparent and complies with relevant regulations.

2. Review of Related Party Transactions

The Audit Committee reviewed Related Party Transactions and transactions that may involve potential conflicts of interest. Detailed discussions were held with the management regarding the necessity and rationale of each transaction to ensure that pricing and terms were reasonable and conducted in the best interest of the business.

Furthermore, the Audit Committee oversaw the disclosure of such transactions to ensure they were accurate, complete, and sufficient, providing supporting opinions for each case. The Committee also advised the management to avoid unnecessary related party transactions, maintaining only those that are commercially justifiable and serve the maximum benefit of the Group.

3. Consideration of the Appointment of External Auditors

The Audit Committee considered and resolved to propose the appointment of auditors from EY Office Limited as the Company's external auditors for the year 2025. This included the consideration of appropriate audit fees, which will be presented to the Board of Directors for further approval at the 2025 Annual General Meeting of Shareholders (AGM).

4. Meeting with External Auditors and Internal Auditors without Management

The Audit Committee held one meeting with the external auditors and internal auditors without the presence of management. This provided an opportunity for independent discussion regarding significant issues arising from the audit of financial statements and internal control systems. The discussions also covered potential concerns related to fraud, corruption, irregularities, or significant deficiencies in the accounting and financial systems, in order to collaboratively determine effective remediation plans and risk prevention measures.

5. Oversight of Internal Control Processes

The Audit Committee considered and resolved to approve the appointment of D I A Audit Co., Ltd. to perform the internal audit functions. The Committee jointly planned and approved the annual internal audit plan, while also assessing the adequacy, competence of personnel, and independence in their operations.

Furthermore, the Audit Committee consistently monitored performance by providing recommendations and ensuring that management continuously implemented corrective actions based on audit reports. This is to ensure that the Company maintains a sound and effective internal control system sufficient for business operations.

6. Review of Risk Management Processes

The Audit Committee reviewed the risk management processes of the Company and its subsidiaries in conjunction with the Risk Management Committee. This review covered the consideration of work plans and risk management guidelines to ensure they remain appropriate and effective.

Additionally, the Audit Committee assessed the adequacy of risk factors and their potential impact on the Group's operations. Strategic recommendations were provided to enhance and improve the risk management process to achieve resilience in handling volatile or unforeseen circumstances, thereby safeguarding the best interests of the organization and its shareholders sustainably.

7. Review and Oversight of Anti-Corruption Policy

The Audit Committee reviewed and ensured that the Company strictly complies with the Anti-Corruption Policy, covering the prevention of internal fraud and the seeking of personal gain. The Committee established a Whistleblowing Policy and channels, along with a fair investigation process and effective measures to protect whistleblowers. Furthermore, the Audit Committee conducts an annual review of the policy to ensure that business operations align with the intent to oppose all forms of corruption and promote organizational transparency.

Additionally, the Company has declared its intention to join the Thai Private Sector Collective Action Against Corruption (CAC) to demonstrate its commitment to operating under good governance principles. The Company has applied CAC guidelines at all levels—from policy and management to raising awareness among employees, suppliers, and stakeholders throughout the business value chain—to reinforce a corporate culture of Zero Tolerance toward all forms of corruption.

8. Review of Compliance Oversight

The Audit Committee reviewed and oversaw the Company and its subsidiaries to ensure compliance with Good Corporate Governance principles, focusing on full information disclosure in accordance with the requirements of the Stock Exchange of Thailand. Additionally, the Committee arranged for a review of relevant policies and guidelines, including the Code of Business Ethics, Whistleblowing Policy, and Anti-Corruption Policy, at least once a year to remain consistent with changing circumstances.

9. Quality Maintenance of the Audit Committee

The Audit Committee conducted a review of the Audit Committee Charter and performed an annual self-assessment, both as a collective body and on an individual basis, following the best practices of the Stock Exchange of Thailand. This ensures that operations are effective and achieve defined objectives. The primary assessment criteria included the committee's structure and qualifications, meeting arrangements, and roles and responsibilities. For the year 2025, the Secretary to the Audit Committee compiled and summarized the evaluation results for presentation to the Board of Directors. The results were rated as "Excellent," and the Committee has used this feedback to further enhance its performance, particularly regarding collective roles and duties. The summary of scores is as follows:

Assessment Method	Average Score (%)
1. Collective Assessment (As a whole)	97.50%
2. Individual Self-Assessment	96.97%

The Audit Committee has performed its duties and responsibilities as specified in the Charter, utilizing its knowledge, competence, due care, and sufficient independence to safeguard the interests of all stakeholders equally. The Audit Committee is of the opinion that the Company's financial statements are accurate, reliable, and consistent with Financial Reporting Standards. Related party transactions were found to be necessary, reasonable, and fully disclosed. Furthermore, the Company's operations comply with relevant laws and obligations, supported by appropriate and adequate corporate governance, risk management, and internal control systems.

Mr.Tepakul Poonlarp
Chairman of the Audit Committee

Smothong Group Public Company Limited

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